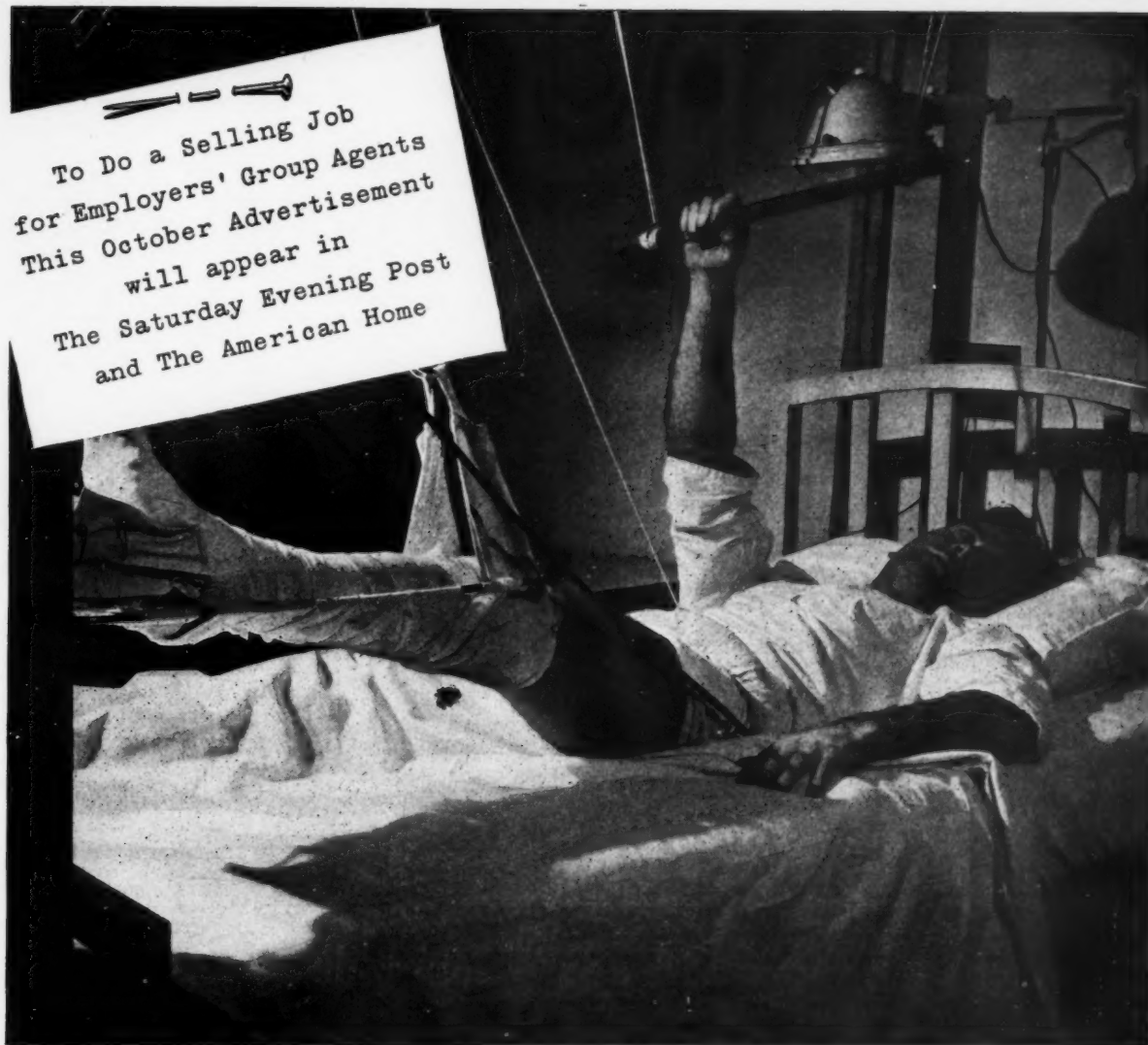


The NATIONAL UNDERWRITER



The Leg that kicked the Agent out the door

"Tell him I'm busy. Tell him I'm out. Tell him anything. An insurance agent is the last person on earth I want to see today."

How many busy men and women have said just that, only to have an accident later and to lie in pain, thinking about the bills and how they could have been paid by the man they wouldn't see?

It's an unfortunate fact... many persons can't see the need for insurance until *after* the accident. Lessons, thus learned, are costly.

A better way... a way that costs nothing... is to talk with *The Man with the Plan*, your local Employers' Group Agent. Let him sit down with you at your leisure, and show you how to protect your vital income in case of accident. Let him explain all the different

kinds of Employers' Group Accident Policies, particularly the new, low-cost *Family Policy* which covers hospital and surgical expenses for accidents to any member of your family.

Remember, *The Man with the Plan* is not a high-pressure salesman. He is a highly competent insurance counsellor... a specialist in giving freedom from worry over loss. He thoroughly analyzes your protection and needs. He gives you, absolutely free, a complete personal *plan*... in handy book form... which guides you in buying proper fire and casualty insurance for your home and all its members.

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Fire and Casualty Insurance,
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AMERICAN EMPLOYERS' INSURANCE CO.

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THURSDAY, OCTOBER 7, 1943



CAPTURED

Today's travel restrictions cut calls. Yet rising replacement costs demand every risk be checked for adequate coverage.

Tip-in sheets provide a practical way to reach more people with this vital wartime service.

Let your National Fire Group Fieldman show you the various tip-in sheets. They can save time, tires, and gasoline for you. And help you increase your business.

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WESTERN DEPARTMENT: 175 WEST JACKSON BLVD., CHICAGO • PACIFIC DEPARTMENT: 934 BUSH ST. SAN FRANCISCO



Fire Prevention Week Is Widely Observed

Bugbee Talks in Chicago—Many Cities Active in Campaign

The war has brought public consciousness of the need for fire prevention, Percy Bugbee, general manager of the National Fire Protection Association, said in his talk on "The War on Fire Loss" before the joint meeting of the Chicago Association of Commerce and National Safety Council Wednesday. This gathering was one of the highlights of Fire Prevention Week observance in Chicago.

The war is changing public psychology toward fire, Mr. Bugbee said. Fire has been a principal weapon in the war. Widespread use of incendiary bombs has given the American public an object lesson in the destructiveness of fire that is unsurpassed. Millions of Americans are participating in civilian defense activities, and the importance of fire prevention control is well understood by and stressed by civilian defense authorities.

Far Reaching Effect

The conservation program, he said, while not designed specifically to prevent fire losses, has nevertheless had a far reaching effect in removing fire hazard material of every kind from factories, and from the attics, cellars and closets of homes. Because a building destroyed by fire cannot be replaced easily, if at all, people are more careful, and what the underwriters call "moral hazard" is practically non-existent. There has been little or no sabotage and arson.

One heartening result during the war is the substantial decline in fire losses in dwellings, Mr. Bugbee said. If this gain can be held after the war it will constitute a lasting accomplishment for the welfare of the country. The great value of educating school children in the fundamentals of fire loss, fire prevention and fire protection was emphasized by Mr. Bugbee. The great majority of fires are due to a relatively few, easily understood and elementary causes such as the accumulation of flammable rubbish, careless smoking, dirty chimneys, poorly protected heating appliances, improperly installed electric wiring, careless handling of gasoline, use of wooden shingle roofs, etc. Knowledge of these things can and should be taught in the schools, he said.

Gain in Rural Field

Another important gain is in the farm and rural field. Substantial reductions in fire losses in these fields, he said, are being made.

Only the great fires such as those at Fall River, the Normandie and the Coconut Grove seem really to reach public attention, yet they do bring about specific reforms and improvements in the field in which they occur, he said. The Coconut Grove night club fire, as horrible and disastrous as it was, may in the long run bring about a net saving of lives because of the wholesale clean-up of fire hazards in places of public assembly.

On the debit side, there has been a
(CONTINUED ON PAGE 26)

Colorado Agents Hold Convention

Elect F. S. Padgett President; Back Congress Insurance Bills

DENVER—The Colorado Association of Insurance Agents at its annual convention here adopted strong resolutions urging the state's six members in Congress to support passage of the Bailey-



H. R. Koster

Van Nuys bill that would exempt insurance from application of federal anti-trust acts. The association also adopted a resolution calling for defeat of the Wagner-Murray bill in Congress that would extend and enlarge the present social security benefits. More than 100 attended the two day session, which was limited to consideration of business problems.

Floyd S. Padgett of the Padgett Realty Co., Colorado Springs, was elected president to succeed Harold R. Koster of Salida. Floyd E. Brown, Denver, was made vice-president; Frank England, Jr., Denver, was reelected secretary, and



FRANK ENGLAND, JR.

Herbert W. Leibman, Denver, was elected treasurer.

Directors elected are Fred R. Kelly, Rocky Ford, Mr. Koster, Mr. Liebman, W. Rex Kerr, Denver, and Frank Cotten, Jr., Colorado Springs.

Mr. Padgett, the new president, is a charter member of the association, which was organized 13 years ago, and he has always been an organization leader.

Herbert Cobb Stebbins of Denver, secretary of the American Association of Insurance General Agents, discussed the Curtis Publishing Company's poll on what the purchasers of insurance think of companies and agents.

Explains Lloyds' Operations.

Friday's session was high-lighted by the address of B. U. Brandt, W. B. Brandt & Co., San Francisco, on "Lloyds of London" in which the legislation and supervision in western coastal states known as the "California plan" relating to surplus lines was explained.

Mr. Brandt outlined the history of Lloyds and explained its particular method of functioning. Transacting busi-

Dauwalter Joins Fred. S. James & Co. in N. Y. Office

F. Schuyler Dauwalter, recently assistant general manager of the National Board and previously head of the Business Development Office, has joined Fred. S. James & Co. in New York. Mr.



F. S. DAUWALTER

Dauwalter will assume executive duties and assist John C. Griswold, vice-president in charge of the New York office.

Mr. Dauwalter started in business in his father's agency at Booneville, Mo., in 1912. In 1915 he was appointed special agent for Fidelity-Phenix in Missouri. He resigned this position in 1920 to become executive special agent of the farm department of National of Hartford at Chicago. In 1924 he became superintendent of the farm department of Liverpool & London & Globe in Chicago.

Specialist in Business Development

In 1931 he was placed in charge of the general cover department of Royal-Liverpool in charge of 18 middle western states with headquarters in Chicago. His principal responsibility during this time was the development of business. During the following three years he gained considerable experience working with agents in the larger cities throughout the middle west in the writing of multiple location lines, becoming somewhat of a specialist in business involving nonstock company competition. In 1934 Royal-Liverpool transferred him to New York as assistant manager of the western department.

Two years later Mr. Dauwalter was appointed director of the Business Development Office, the initial objective of which was to assist agents in meeting mutual competition, but with the ultimate objective of placing insurance salesmanship on a more constructive basis. He served in this capacity until January, 1939, at which time he became assistant general manager of the National Board. He resigned last July.

ness with Lloyds is like transacting business directly with the stockholders of an American corporation, he said. To become an underwriting member at Lloyds, the man must be worth a minimum of approximately \$500,000 free and clear of all encumbrances. He deposits \$25,000 for each type of insurance with the committee of Lloyds, and he must deposit 100% of the premium as reserve until three years after the last risk of
(CONTINUED ON PAGE 27)

Large Turnout at First Insurance Day of Chicago Board

Beatty, Skaer Discuss Live Subjects; Forum on Covers Runs Overtime

The first "Insurance Day" sponsored by the member service committee of the Chicago Board, Tuesday, filled the Chicago Board Auditorium to its 250 capacity at both the morning and afternoon sessions. Agents, brokers, office employees and company men were well represented.

The morning session featured two talks on currently important subjects. D. P. Skaer, assistant manager Cook County Inspection Bureau, discussed rating methods and procedure, and R. M. Beatty, Cook County manager Western Adjustment, discussed insurable values. In the afternoon M. E. Burks, Springfield, deputy insurance director, gave the only prepared address and a panel discussion on coverages having a timely sales appeal attracted much interest. The discussion was conducted by members of the member service committee, Wade Fetzer, Jr., vice-president W. A. Alexander & Co., W. S. Ellis, assistant manager Royal Liverpool; A. B. Smillie, Cook county manager Travelers Fire; W. J. Laadt, Cramsie, Laadt & Co.; Donald M. Wood, Jr., Childs & Wood and F. P. Burns, broker with W. A. Alexander & Co. The discussion was so popular that the panel was unable to complete all its subjects.

W. M. Sheldon, vice-president W. A. Alexander & Co., president of the Chicago Board, said that if the members wished another forum to treat the unfinished subjects it would be arranged. He also urged the members to support the bills now in Congress prohibiting federal control of insurance and said that the directors of the Chicago Board were asking each member to write all senators and representatives from Illinois in support of these bills. Mr. Sheldon also pointed out that the insurance day was held during Fire Prevention Week and urged each member to turn in at least one mercantile inspection blank in cooperation with the fire prevention program of the Chicago Association of Commerce. After adjournment, most of the members attended a special showing of the public fire prevention exhibit sponsored by the Chicago Board, Association of Commerce and the Chicago fire department.

History of Rate Making

Mr. Skaer explained the factors which go into the makeup of a fire insurance rate. He said that as early as the 18th century, British underwriters classed risks as hazardous, extra hazardous and ordinary insurance. The first fire rate schedule came out in England in 1842. In the United States the National Board, founded in 1849, attempted to publish centralized rates until 1877, but failed, largely because of local jealousies and local problems. The Eastern Union and Western Union in 1879 also tried rate making over large areas without success. Beginning about 1890, state and local rating bureaus developed and that system has worked successfully for over 50 years. Mr. Skaer said the relations of the inspection bureau with the Illinois department have been entirely
(CONTINUED ON PAGE 28)

Titles Changed in Fireman's Fund

Occidental and Occidental Indemnity Both Take Name Western National

SAN FRANCISCO—Name of Occidental, member of the Fireman's Fund group, has been changed to the Western National, and the name of the Occidental Indemnity to Western National Indemnity. Commenting on the action, which took place Sept. 30, President Charles R. Page said that the name, Western National, was selected because it was felt it accurately describes the national scope and operations of the companies and at the same time indicates their western origin. "This is a change in name only and involves no change whatever in corporate structure, methods of operation or of management," he said, pointing out that the two companies remain members of the Fireman's Fund group and "as in the past, will continue to reflect the character and carry on the traditions of the parent company—the 80-year-old Fireman's Fund."

Occidental, incorporated Dec. 31, 1927, was the third fire, automobile and marine company to be added to the Fireman's Fund group. The company operates in all states except three and its capital stock is more than 99% owned by the Fireman's Fund.

Occidental Indemnity was incorporated June 24, 1927. Until 1939 its operations were restricted to the Pacific Coast field but it now operates in 37 states. Its capital stock is 100% owned by Fireman's Fund Insurance Company.

Other companies, members of the Fireman's Fund group, are Fireman's Fund Indemnity and Home Fire & Marine.

Luncheon, Dinner Events for Zone 2 Commissioners

Commissioner Neel of Pennsylvania has arranged for luncheon and dinner meetings to which insurance company executives and agents are invited, during the meeting of the Zone 2 commissioners at Harrisburg, Oct. 15. Governor Martin of Pennsylvania and Governor Broughton of North Carolina will be the principal speakers at the dinner meeting while the luncheon gathering will be addressed by Lieut. Governor Bell of Pennsylvania.

Plan Detroit "Bosses Night"

DETROIT—W. T. Benallack, secretary of Michigan Fire & Marine and "first citizen of the Blue Goose," will be toastmaster for the annual "bosses' night" program of the Detroit Insurance Women's League. Company executives, field men and agents will be guests of honor.

Sigourney F. Nininger, 60, who retired as vice-president of Queen two years ago, died of heart disease Monday at his home in Bronxville, N. Y. Funeral services were held Wednesday afternoon.

Mr. Nininger joined the southern department of Queen at Atlanta in 1904. Later he was appointed special agent for Virginia and West Virginia. He was transferred to the home office jurisdiction as special agent in eastern Pennsylvania in 1919 and the next year was appointed general agent at the home office. In 1922 he was elected secretary of Queen and subsequently was made vice-president. When the companies were consolidated into one group in 1931, Mr. Nininger became underwriting manager for the Royal-Liverpool group for the middle department and West Virginia, retaining his title as vice-president of Queen.

WDC Forgives Deviations from Specified Procedure

WASHINGTON—Saying in effect, "not guilty but don't do it again," the War Damage Corporation has retroactively legitimized certain deviations from specified procedure on the part of fiduciary agents and producers in connection with renewals but has warned that strict adherence to the rules will be required from Oct. 1 on.

In some cases the companies acting as fiduciary agents accepted and put through renewals even though the renewal slips were not received until after the original policy had expired. Technically they should have sent such renewal applications back to the producer who would then have made out a new application for a new policy. This would have meant a delay, possibly of several days or more, during which the applicant would have had no protection, to say nothing of extra work for the fiduciary agent and producer that would have been entailed. The federal reserve banks acting as custodians of WDC funds could readily spot such deviation from the rules, as the bank's copy of the renewal slip had to be stamped with the effective date and the date on which the application was received by the fiduciary agent.

Other Types of Errors

Other types of errors in procedure which the WDC in its memorandum No. 41 sanctions, provided they occurred before Oct. 1, are insertion in the application, through error, by the insured or producer, of an expiration date prior to the actual expiration of the policy to be renewed, in which case the new insurance will be construed as running for a year from the actual expiration date of the original policy; change or correction by endorsement attaching prior to the date on which the fiduciary agent received and date-stamped the renewal application; inclusion in the original policy of a schedule listing items of insurance covering in various coded geographical locations and on various occupancy coded classifications; or where the original policy bears blanket code 99.

Even though in all such cases the fiduciary agent should have returned the renewal application and insisted on a new policy being applied for, the WDC memorandum authorizes fiduciary agents on the insured's request, to execute an endorsement stating that notwithstanding the conditions of application for renewal (WDC form 19) the insurance will be construed to have been renewed for 12 months from the original expiration date of the policy, subject to all the terms and conditions of the policy. However the memorandum states with typographical emphasis that fiduciary agents shall reject any application for renewal received on or after Oct. 1 which does not conform to the regular renewal procedure.

WDC Regulations on Registered Mail, Express Renewals

NEW YORK—The War Damage Corporation has announced that registered mail and express coverage may be renewed only under a new application, on Form No. 15, the same application which is used for new business of this type. The short renewal form will not be used on these risks.

Money and securities coverage on registered mail and express shipments was not authorized until last fall, so the first renewals are not due until now.

WDC also announced that Form No. 21 will be used for reports of actual values under this coverage on expiration. This protection is written on a semi-reporting basis, there being no coverage if values are in excess of those scheduled in the policy, unless the amount is increased, but a refund allowed if they are less than the estimate. No refunds will be made if the gross premium on actual values does not exceed the WDC minimum premium of \$3, or if the refund would be 50 cents or less.

Aetna Life Group Well Represented

At the annual meeting of the National Association of Insurance Agents in Pittsburgh, Oct. 10-14, a delegation from the home office of the Aetna Life affiliated companies will be present and maintain headquarters. The party will consist of E. C. Knapp, secretary Aetna Casualty & Surety; S. F. Withe, manager advertising and publicity department Aetna Life companies; E. J. Perrin, Jr., vice-president Automobile and Standard Fire; D. R. Sibley, vice-president Automobile and Standard Fire; T. D. Olmstead, secretary Automobile; C. G. Hallowell, vice-president Aetna Casualty & Surety.

Insurance Council Holds Conference

Inasmuch as F. E. Spain of Birmingham, vice-president Liberty National Life and chairman insurance section of American Bar Association, was in Chicago this week attending the Legal Section meeting of the American Life Convention he called a meeting of the insurance council. There were present, V. J. Skutt, vice-president United Benefit Life of Omaha; Thomas Waters, National Board of Fire Underwriters; Edward Patterson, Columbia University Law School; H. S. Moser, Chicago attorney; R. H. Kastner, associate counsel American Life Convention; John F. Handy, associate counsel Massachusetts Mutual Life; Chase M. Smith, general counsel Lumbermen's Mutual Casualty.

Annual Speculation on N.A.I.A. Officers

Moreton Sure President, Vice-presidency Open, But Brown Favored

There seems to be less speculation than usual about the new officers of the National Association of Insurance Agents, to be elected at the annual convention in Pittsburgh next week. Probably this is because the National association is completing its first year under its new constitution and many observers feel that anything is likely to happen when the National Board of State Directors settles down to making nominations.

It would, of course, be a major miracle if Fred A. Moreton, Salt Lake City, now vice-president, should not be elevated to the presidency, to succeed David A. North of New Haven. Mr. Moreton has won the respect of everyone in his present office and there does not appear to be the slightest disposition to upset the precedent.

Followed Precedent Last Year

Last year, when the new constitution was adopted at Chicago, the situation appeared to be wide open for any upset. The first duty of the National Board of State Directors, which was created at that meeting, was to nominate presidential and vice-presidential candidates. The board, however, took no radical steps, nominating Mr. North, who was then vice-president, and Mr. Moreton, who had been the leading contender against Mr. North at Kansas City in 1941, and was universally regarded as the probable choice.

This year, however, the new setup of the executive committee does not make for obvious candidates. The old eight man executive committee usually included one or two men who had served three years, about three two year men and the balance "freshmen." While any member of the National association was and still is eligible for office, the vice-presidency (and before that the chairmanship of the executive committee) almost invariably went to a man with two or three years service on the executive committee, and a three year man had a big advantage. Thus, the candidates were usually obvious and most of the time it was not difficult to forecast the new vice-president with a reasonable degree of accuracy.

Brown Well Regarded

Under the new setup, there are, in addition to the president and vice-president, only five members of the executive committee. Two are elected by the the National Board of State Directors. The men in that category are Hunter Brown, Pensacola, Fla., and Guy T. Warfield, Jr., Baltimore. The other three are picked by the president, vice-president and the first two members. In this group are Harry Park, Jr., Los Angeles, T. G. Redden, Greensboro, N. C., and W. R. Thomas, Pittsburgh.

Barring upsets, the new vice-president will probably be one of the present executive committee members. In this group, Hunter Brown seems to be the leading choice. He is universally popular and, while he has not sought the limelight, his service for many years as chairman with both old and new readers in the National association is high. The few state national directors who are known to have expressed opinions are unanimously for him.

Southern Man Due

Mr. Brown also has a geographical advantage in that the south is about due for a national officer again. While the presidency and vice-presidency have not been inflexibly rotated around the country, it has usually worked out this way. Since P. H. Midyette, Tallahassee, Fla.,

(CONTINUED ON PAGE 30)

THIS WEEK IN INSURANCE

F. S. Dauwalter, who resigned in July as assistant general manager of the National Board, has joined Fred S. James & Co. in its New York office. **Page 1**

Colorado Association of Insurance Agents elects F. S. Padgett president at the annual convention. **Page 1**

Occidental of San Francisco, a member of the Fireman's Fund group, has changed its name to Western National and Occidental Indemnity to Western National Indemnity. **Page 2**

Federal threat to insurance stressed at annual meeting of National Association of Mutual Insurance Agents in New York. **Page 3**

Chicago Board "Insurance Day" draws large crowd. **Page 3**

Much speculation on new official lineup of National Association of Insurance Agents. **Page 2**

George D. Clayton, Jr., of Hannibal is elected president of the Missouri Association of Insurance Agents at annual meeting at Jefferson City. **Page 3**

Local and foreign companies sharing in South American business boom. L. C. Irvine of A. F. I. A. found on extended trip. **Page 6**

To determine what effect if any the boiler and machinery rate war might have on inspection service, Superintendent Dineen of New York has questioned the insurers on aspects of their inspection work. **Page 10**

Excess profits tax likely to hit many casualty companies this year. **Page 17**

New Treasury list of approved sureties is named. **Page 19**

Executive setup of Appleton & Cox is changed. **Page 36**

Missouri Agents Annual Parley Is One-Day Session

George D. Clayton, Jr., of Hannibal Is New President

NEW OFFICERS ELECTED

President—George D. Clayton, Jr., Hannibal.
First Vice-president—Harry M. Gambrel, Kansas City.
Second Vice-president—George F. King, Columbia.
Third Vice-president—W. E. Walker, Cape Girardeau.
National state director—Basil U. Sparlin, Springfield.
Chairman executive committee—W. J. Welsh, Kansas City.

Instead of a two-day session of the Missouri Association of Insurance Agents, as originally planned, the executive committee in a long meeting Friday evening arranged such an economical time schedule that the program was completed at Jefferson City on Saturday. Only a brief period was permitted for lunch so that the work could be disposed of at the afternoon session.



G. D. Clayton, Jr.

President Basil U. Sparlin presided. Delegates to the Pittsburgh convention of the National Association of Insurance Agents were instructed to vote against the proposal to increase the membership of the N.A.I.A. executive committee by four. Missouri has already exceeded its 1943 quota for the N.A.I.A. public relations fund and it was agreed that in the final accounting Missouri would more than meet its obligation.

A new scale of membership dues was adopted. These range from \$250 for agencies with \$4,000,000 and more in annual premiums to \$10 for those with less than \$50,000 of premiums.

On War Damage Corporation business and in other lines where by governmental edict the maximum commission is 5% or less, the premiums may be excluded in arriving at premium income for dues paying purposes. The executive committee was empowered to reduce the scale of dues proportionately by classes whenever a surplus of more than \$5,000 is attained. John J. O'Toole of St. Louis, reporting as treasurer, stated that the surplus as of June 30 was the largest in history.

Promoting Fire Prevention

Fred V. Griffith of Kansas City suggested that in promoting fire prevention, the incoming administration solicit non-member agents of the association to volunteer their services. In this way, he said, the non-members would become acquainted with this phase of association activity.

Harry M. Gambrel of Kansas City, reporting on the bill that attempted to set up proper qualification standards for agents and brokers, stated that last minute opposition to the bill on the floor of the senate blocked what promised to be success after many years of effort. He suggested that in connection with the qualification measure to be introduced in 1945, the bill be analyzed and

(CONTINUED ON PAGE 27)

Fur Loss May Reach \$2,000,000



NEW HAVEN—Though no accurate estimate of the Yale Cold Storage Warehouse fire loss will be possible until salvage operations and the checking of records have proceeded considerably further, the best current estimate is that it will run in the neighborhood of \$2,000,000. There is a possibility that the final figure will exceed this figure somewhat. On the other hand, some of the first coats that were reprocessed appear to have suffered no permanent damage from their thorough drenching and the loss may be considerably below \$2,000,000.

Because so many of the coats were soaked by firemen's hoses it was important to start work on salvaging as fast as possible to avert loosening of the hair from the skins. It was fortunate

that the weather was cool following the fire, as water-soaked fur tends to heat up and rot very quickly if it is warm. The fact that every effort had to be devoted to getting salvaging under way rather than to checking storage records is another reason why the estimate of loss is still largely a guess.

The drenched garments were loaded into trucks and rushed to the Hollander plant in Newark, the world's largest fur dressers and dyers, which turned over an entire section of the plant which had just finished up its season on a certain type of skin. The section is working on almost a 24-hour basis to handle the salvage job. The amount of work involved can be judged by the fact that it was not until Tuesday of this week

(CONTINUED ON PAGE 36)

Mutual Agents Hear Federal Threat Stressed

Public Relations, New Policy Form Discussed at Convention in New York

NEW YORK—Federal encroachment is a serious threat to the insurance business, W. Bruce Adams, president Mutual Fire Insurance Association of New England, told the National Association of Mutual Insurance Agents in a talk in which he asked for cooperation with companies in meeting detrimental or competitive legislation.

More than 400 agents are attending the war time conference. Mr. Adams, who also is vice-president and secretary Fitchburg Mutual Fire, said agents and companies have a common interest in arousing the public against the threat.

"While recent consumers' surveys indicate that the public is favorably disposed toward the institution of insurance, its attitude is rather a passive one," he said. "We must try to instill in the public's mind more enthusiasm for insurance as a sound economic institution."

Public Relations Project

R. C. Baker, New England association executive vice-president, said the insurance business could well afford to spend a million dollars a year for a sound public relations program. Insurance has a most intimate financial contact with the public, yet it has one of the poorest policies of public enlightenment of any business, he declared. So large a fund could be raised at a cost to stock and mutual fire and casualty companies alone of only 1/25 of 1% of the premium dollar. All predictions point to one of the greatest, most prolonged periods of prosperity this country has ever known following the end of the war. He urged the insurance business set up a post war planning committee to start now on constructive plans for a greater American insurance business. Mr. Baker suggested revision of state insurance laws to bring them up to date and to abolish class legislation.

Too many agents are inclined to sell "patent medicine," without making a real analysis of the needs of the insured, H. H. Murray, Jr., Raleigh, declared. He said the "terrific differences" in the cost of stock and mutual insurance are a thing of the past and the mutual agent must be prepared to give a better and more efficient service to insured than the stock agent.

The insured, Mr. Murray said, wants advice and not suggestions as to how to cut his costs 20%. It is up to the agent to find out about new coverages and not wait for his companies to tell him about them.

Inland marine is one of the best lines for the agent to study. "Write complete" (CONTINUED ON PAGE 29)

Injunction in Illinois

Graeme Smith, Chicago broker, has obtained an injunction from Circuit Judge La Buy restraining the Illinois department from enforcing the agents and brokers license law. He alleges the law is unconstitutional. A hearing on the writ is to be held Oct. 18.

E. B. Leighton of America Fore recently underwent an operation in Cleveland. He is improving. Walter A. Sawyer, Fireman's Fund state agent, also underwent an operation in Cleveland.

Maintenance Report Service Is Being Widely Adopted

Hendricks Engineering Corporation of Chicago in the last year has developed a fine maintenance reporting service which is being used throughout the country by a great many concerns. This incorporates fire and safety recommendations and is being found invaluable by clients. A new development is employment of the corporation as engineering consultant for towns and villages.

To expedite the service generally, Allen E. Hendricks, president, has arranged to have staff men stationed in and traveling out of New York City,



ALLEN E. HENDRICKS

Philadelphia, Birmingham, Dallas and Los Angeles. This action was necessitated by the curtailment on the use of gasoline and rubber but has resulted in the expediting of services.

Schirmer Now Vice-president

Robert W. Schirmer, chief engineer, has been elected vice-president. He continues his chief engineer functions but now is spending most of his time in the Chicago head office.

Mr. Hendricks' organization has conducted a national service for about 11 years, making inspections twice yearly in 2,000 cities. He finds there is great demand for the best engineering and inspection service to conserve plants and vital materials. Inspection service has induced many national organizations to include the maintenance report due to the inability to replace critical materials and the necessity to conserve those on hand.

The maintenance reports are rendered twice yearly and are designed to show actual physical condition of plant, heat, plumbing, ventilating, air conditioning and electrical systems. The purpose is to take preventive measures in time to reduce obsolescence and depreciation and keep the plant and equipment up to peak production and avoid breakdowns.

The Hendricks service also prepares plans and specifications for automatic sprinkler installations and supervises their construction.

Vice-president Schirmer formerly was associated with the Chicago Board of Fire Underwriters. He has been connected with Mr. Hendricks for the last seven years and has been chief engineer in charge of the inspection department.

Mr. Hendricks is well known throughout the country as an independent insurance engineer. His service is rendered to companies, agents, brokers and assured.

OCD "Security Award"

The Office of Civilian Defense is establishing a "national security award" to be conferred on industrial plants with superior safeguards against fire,

accidents, sabotage, or possible air attack. Qualifications cover training and enrollment of sufficient protection personnel, coordination of protection and security measures, emergency instructions, observations of regulations and directions, etc.

No Control on Damaged Goods

Sales and deliveries of damaged goods by insurance and transportation companies or by salvage organizations have now been completely exempted from price control by the Office of Price Administration.

May Change Plans for Commissioners Winter Meeting

One of the questions that is likely to be considered at the meeting of the executive committee of the National Association of Insurance Commissioners in Chicago this week is whether to change the meeting place for the mid-winter meeting to Chicago or St. Louis. This gathering is scheduled for the Ho-

tel Pennsylvania, New York, Dec. 5-6, but some complications have arisen in connection with hotel reservations. If it is decided to go to New York, the meeting may be held late in November at the Commodore.

New Mutual Directory

The American Mutual Alliance, 919 North Michigan avenue, Chicago, has got out the 1943 edition of "Directory of Mutual Companies in the United States," covering both fire and casualty insurance. This includes the business of 1942.

INSURANCE ALMANAC

MEN YOU SELL Will Read This

Many of your best prospects and clients are among the 540,000 prosperous property owners who see this unique advertising in NATION'S BUSINESS and FORTUNE. Fire Association Group, Philadelphia, Pa. Branches in Atlanta, Chicago, Dallas, New York, San Francisco, Toronto.



On October 8, 1871, 17,450 buildings in the main business and residential sections of Chicago were destroyed in a fire which started, most people say, when Mrs. O'Leary's cow kicked over a lantern in a West Side barn. Property losses amounted to \$196,000,000. Com-

panies in the Fire Association Group took the claims against them in stride . . . settled the most immediate ones as early as two or three days after the fire . . . which was one of the reasons why Chicagoans were able to rebuild their City so quickly.

1943—OCTOBER hath 31 days

"Increase your income; invest in War Bonds!"

ASTRONOMICAL CALCULATIONS

EASTERN STANDARD TIME

OCT.	LATITUDE +30°		LATITUDE +35°	
	SUNRISE	SUNSET	SUNRISE	SUNSET
1	5:53	5:46	5:54	5:46
6	5:56	5:40	5:57	5:39
11	5:59	5:35	6:01	5:32
16	6:02	5:29	6:06	5:25
21	6:05	5:24	6:10	5:19
26	6:08	5:19	6:14	5:13
31	6:12	5:15	6:19	5:08

OCT.	LATITUDE +40°		LATITUDE +45°	
	SUNRISE	SUNSET	SUNRISE	SUNSET
1	5:55	5:44	5:57	5:43
6	6:00	5:36	6:03	5:34
11	6:05	5:28	6:09	5:25
16	6:10	5:21	6:16	5:16
21	6:16	5:14	6:22	5:07
26	6:21	5:07	6:29	4:59
31	6:27	5:00	6:36	4:51

	LATITUDE +30°		LATITUDE +40°	
OCT.	MOON-RISE	MOON-SET	MOON-RISE	MOON-SET
1	7:44	7:27	7:52	7:17
3	9:40	8:48	9:58	8:30
5	11:41	10:28	12:04	10:04
7	1:35	1:23	1:58	1:14
9	3:15	3:05	3:31	2:47
11	4:42	3:45	4:47	3:36
13	6:02	5:04	5:56	4:27
15	7:23	6:25	7:08	5:13
17	8:51	7:57	8:29	6:00
19	10:28	9:33	10:04	6:47
21	1:03	1:15	1:50	7:36
23	2:49	2:53	3:41	8:27
25	4:39	4:42	5:41	9:20
27	6:33	6:04	6:45	10:14
29	8:35	7:32	8:55	11:11

To obtain local times of sunrise and sunset for longitudes other than the standard time meridians (i.e., 75°, 90°, 105°, 120° for Eastern, Central, Mountain, Pacific Standard Time), decrease time four minutes for each degree east of standard meridian, or increase time four minutes for each degree west of standard meridian.

- 1—Fr. — 1934, beginning of the end of N.R.A. — retirement of Hugh Johnson.
- 2—Sa. — 1878, Scotland's City of Glasgow Bank closed—liabilities, \$50,000,000.
- 3—Su. — 1656, death of Myles Standish, Pilgrim military leader.
- 4—M. — If you're uncertain about the adequacy of your plant coverage, play safe—see your Fire Insurance Agent or Broker today!
- 5—Tu. — 1905, Wrights made first long distance airplane flight, 24½ mis.
- 6—W. — First Quarter, 4:10 P.M., E.W.T. 1683, 1st German arrived Phila.
- 7—Th. — 1853, James Whitcomb Riley, famous Hoosier poet, born.
- 8—Fr. — 1840, self-acting "mule" for cotton machines patented.
- 9—Sa. — Yom Kippur (Day of Atonement). 1872, Boston's biggest fire wiped out property worth \$80,000,000. Comparatively few owners completely covered!
- 10—Su. — 1845, United States Naval Academy at Annapolis opened.
- 11—M. — 1928, Graf Zeppelin flew Friedrichshafen-Lakehurst 4 days.
- 12—Tu. — COLUMBUS DAY. 1915, Edith Cavell, British Red Cross Nurse, executed.
- 13—W. — Full Moon, 9:23 A.M., E.W.T. 1866, Quebec fire—2500 buildings lost.
- 14—Th. — How about your new buildings, new machines? Are they insured against fire? If not, take advantage of the low rates being quoted today, and cover them now!
- 15—Fr. — 1917, Mata Hari, Dutch dancer, shot as spy.
- 16—Sa. — 1725, first New York City newspaper appeared. 1859, John Brown's raid.
- 17—Su. — 1775, Falmouth (Portland), Maine, burned by British.
- 18—M. — 1867, Alaska purchased from Russia for \$7,200,000.
- 19—Tu. — Protect yourself from losses due to inadequate coverage—have your fire insurance policies checked regularly. See your Agent or Broker today!
- 20—W. — Last Quarter, 9:42 P.M., E.W.T. 1926, Cuba hurricane, 600 killed.
- 21—Th. — 1805, Lord Nelson killed at Battle of Trafalgar.
- 22—Fr. — 1806, Thomas Sheraton, English furniture designer, cabinet maker, died.
- 23—Sa. — 1911, Winston Churchill became First Lord of British Admiralty.
- 24—Su. — 1931, official opening of George Washington Bridge, N. Y. C.
- 25—M. — 1415, Battle of Agincourt.
- 26—Tu. — 1915, American debut of Eva Le Gallienne, stage great.
- 27—W. — 1940, Italian aircraft attack Greece. 1858, Teddy Roosevelt born.
- 28—Th. — New Moon, 9:59 P.M., E.W.T. 1886, Statue of Liberty unveiled.
- 29—Fr. — 1811, U.S. Engine Co. organized—later affiliated Fire Association.
- 30—Sa. — 1768, first Methodist Church in America dedicated.
- 31—Su. — Hallowe'en. 1517, Luther theses nailed on Wittenberg church door.

OBSERVATION for October:

If your insurance coverage is based on pre-war replacement costs, it is probably inadequate—very inadequate—today. For building costs are much higher now than before the war.

MORAL for October:

Protect yourself from losses . . . see your Agent or Broker today.

PROPERTY INSURANCE
Fire—Automobile—Marine

FIRE ASSOCIATION GROUP

Fire Association of Philadelphia
The Reliance Insurance Company
PHILADELPHIA



Lumbermen's Insurance Company
Philadelphia National Insurance Company
PENNSYLVANIA

SYMBOL OF SECURITY SINCE 1817

Dear Brother John

My model of a P 51 MUSTang is finished. is your fighter a mustang? I hope so I saw a swell movie about the air Force yester day.

Jeepers Id give my bike and airrifin airrifile and every model Id've ever built to be a pilot like you. Dad said all you pilots are fighting so us kids wont have to go to war when we grow up.

Dad says all of us at home must work hard so you will be proud of us when youve won the war The way we are proud of you

Mom says when we think we are working too hard we should just think of John's sacrifises.

I'm making plane models and collecting scrap and helping at the store on Saturdays. I'm going to be an air Raid Messenger but I have got to be older.

I told the guys fellows about the jap helmet you have for me and how your leting me use your type writer while you are away and they say "boy are you lucky". I'm awful proud of you. Come home soon and teach me to fly.

your brother

Don

P.S. I bought another bond for \$18.75 from my savings



The men and women of Loyalty Group are pledged, in their home-front effort, to make a contribution worthy of the gallant sacrifices being made by Americans under arms.



Firemen's Insurance Company of Newark, New Jersey

The Girard Fire & Marine Insurance Company
National-Ben Franklin Fire Insurance Company
The Concordia Fire Insurance Co. of Milwaukee
Milwaukee Mechanics' Insurance Company

Royal Plate Glass & General Ins. Co. of Canada
The Metropolitan Casualty Insurance Co. of N.Y.
Commercial Casualty Insurance Company
Pittsburgh Underwriters-Keystone Underwriters

*Nation-wide
Facilities*

EIGHT COMPANIES
74 BRANCH AND
SERVICE OFFICES

Western Department
120 So. LaSalle St.
Chicago, Illinois

Foreign Department
111 John St.
New York, N. Y.

Canadian Departments
465 Bay St., Toronto, Ontario
404 W. Hastings St., Vancouver, B. C.

Southwestern Dept.
912 Commerce St.
Dallas, Texas

Pacific Department
220 Bush St.
San Francisco, Cal.

Write For Complete Facts About



Loyalty Group Coverage and Service

Local and Foreign Insurers Gaining in South America

NEW YORK—Along with nearly all other industries in South America, the insurance business there is experiencing a boom in which local companies and foreign insurers are sharing, according to L. C. Irvine, fire manager of the American Foreign Insurance Association, who recently returned from a three months' business trip to South America during which he visited Colombia, Ecuador, Peru, Chile, Argentina and Brazil. Mr. Irvine found nationalistic sentiment to be even more noticeable than on his last previous trip, though it appeared that the rise of nationalism was less marked in Peru and Ecuador than in the other countries he visited. One result of this attitude among South Americans is that American and other foreign insurers have not enjoyed the same proportionate increase in business as the local companies.

This nationalistic trend is by no means confined to insurance. The general attitude toward all industries is against absentee ownership or control and for limiting foreign enterprises to the organization of local corporations in cooperation with local capital. The aim is to discourage exploitation of natural resources by the wholly-owned foreign corporation which brings in its own equipment and pays out little except for the relatively cheap local labor. Encouragement is being given to enterprises which will add to the national wealth. The local citizenry does not want to freeze out foreign enterprise entirely but rather to make sure that these enterprises are an asset rather than a liability to the countries in which they operate.

Laws Favor Local Companies

Though laws vary from country to country, as a rule the local companies are favored in the matter of taxation or capital requirements. At the same time, as far as doing business as a foreign company is concerned, Mr. Irvine pointed out that in Brazil and Chile no new foreign companies can now be admitted and as a practical matter it has been impossible for a foreign company to enter Peru. Deposit requirements have been increased in a number of countries in recent years.

Possibilities of doing a reinsurance business in South America are cramped by the fact that established companies usually want reciprocity, which many American insurers are not in a position to grant because of laws governing non-admitted reinsurance. Mr. Irvine found that there is quite an increase in the exchange of reinsurance among South American countries.

Postwar Expansion Prospects

As for the postwar development of American insurance in South America, Mr. Irvine feels that American insurance interests' appeal will have to be strong and resourceful if it is to offset the strong nationalistic sentiment. At present there is a great excess of capital in South America and if this continues to be the case after the war there will obviously not be much demand for

American capital to start new insurance enterprises in South American countries. However, there is some possibility that local capital will prefer more speculative types of enterprise which promise higher rates of return than insurance companies, leaving the way open for foreign capital that is satisfied with a moderate rate of return.

That the expansion of local South American companies, whether with local or foreign capital, will result in a demand for insurance men from the United States to operate them is doubtful, Mr. Irvine believes. The tendency was at first to draw their managerial talent from Europe in getting local companies under way and many of the South American personnel have had their training in local branches of European insurance companies. Today most of the local companies are managed by citizens of the domiciliary country.

Sees Local Companies Prospering

It is only natural, Mr. Irvine believes, that every country should be interested in developing its own insurance industry. He feels that undoubtedly South American companies that are soundly operated and well backed will continue to prosper and it is to be hoped that there will be close cooperation between the American and South American companies, with both groups of carriers existing side by side just as American and foreign companies have done in the United States for many years.

After seeing at first hand the current tremendous industrial activity in South America and talking with business men in those countries about plans for expansion after the war, Mr. Irvine feels certain that there will be an enormous increase in commerce between the North and South American continents after the war and that this of course will mean a big market for marine insurance here where the American interests have the placing of the insurance.

Postpone Mo. Case Hearings

Resumption of hearings in the suit of Attorney-general McKittrick of Missouri against the fire companies, scheduled for Wednesday of this week in Chicago, has been indefinitely postponed because of the illness of the mother of John H. Windsor, the Missouri supreme court's commissioner in the case. This phase of the hearings will not take long, according to Homer H. Berger, attorney for the companies. It will be devoted to putting in the companies' case; that is, establishing a few points which the 30,000 page record has not already covered. Russell D. Hobbs, manager of the Western Actuarial Bureau, will be one of the witnesses.

Names Parker, Allston

Albert Ulmann Marine Office, Inc., of New York, announces the appointment of the insurance advertising firm of Parker-Allston Associates, Inc. W. C. Rhoades is account executive.

The Ulmann organization, incorporated July 1, 1943, underwrites marine insur-

ance on ocean hulls, cargoes and protection and indemnity for National Union Fire, New Zealand, American Equitable, and Pacific National.

A schedule commencing this week includes insurance, maritime and export trade magazines and one newspaper.

Ocean War Risk Changes

NEW YORK—Marine underwriters have made only minor changes in the rate schedule this week. Coverage has been extended to barges as well as steamers on voyages between southern California and the Aleutians, also to and from any U. S. controlled islands in the Alaskan area. The latest schedule includes rates on voyages between the west coast of South America, Central America and Mexico and between the west coast of South America and certain ports on the east coast via Magellan.

Seek Dallas 48-Hour Exemption

Dallas having been declared a No. 1 critical labor area, the entire insurance industry, under the chairmanship of Judge C. F. O'Donnell, president of Southwestern Life, will seek exemption from the required 48-hour week.

Insuring industrial risks? "Manufacturer and Insurance" by Myers tells how. \$3.00 from National Underwriter.

Dineen to Move Slowly in Making Appointments

NEW YORK—Appointment of a department counsel and non-civil service deputies will not be made for several weeks and perhaps considerably longer than that, according to R. E. Dineen, who was recently appointed insurance superintendent in New York. Mr. Dineen said that he was not going to act hastily and that he wants to be sure to get men who will be an addition to the department. He indicated that none of these jobs is going to be soft berth for anybody, saying that he was accustomed to working hard himself and expecting the same sort of work from others.

Mr. Dineen spent Monday morning going through the department's New York office and meeting the entire personnel. He had previously got acquainted with the bureau and divisional heads but has devoted most of the rest of his time to the urgent boiler and machinery rate situation.

President Paul B. Sommers, American of Newark, has received word that his son, Second Lt. Paul B. Sommers, Jr., was piloting a bomber which was shot down. Eyewitnesses reported that seven members of the crew were seen to bail out. A second son, Otto, received his wings last week at Waco, Tex.



THE CONVOYS that carry our vital war material to all our fighting forces abroad form our "Bridge of Ships" without which we would be helpless to crush our enemies.

Norwich Union agents were among the first to streamline their services to the war requirements of their clients.

146 years of experience is assurance that your wartime insurance problems will be swiftly solved by our staff of expert underwriters.

NORWICH UNION

FIRE INSURANCE SOCIETY, LTD.

NORWICH UNION INDEMNITY COMPANY • 75 MAIDEN LANE, NEW YORK, N. Y.

EMPLOYEES FOR SPECIALIZED OR ROUTINE INSURANCE POSITIONS

We have filled vacancies in all branches of insurance in spite of present-day personnel shortage. Why not consult us when you need experienced workers?

ADAMS EMPLOYMENT AGENCY
Specialists in Insurance Personnel
141 W. Jackson Blvd., Board of Trade Bldg., Wabash 3344-45



How Washington is helping us win

At Valley Forge, at Trenton—*somewhere*, General George Washington uncovered an American principle that will win *this* war for us. He discovered that Americans, shoulder-to-shoulder, can generate an *extra* effort that's often the margin of victory.

It's *working* today—just as it did in our original battle of freedom. Of course, our soldiers aren't ragged and hungry as Washington's men often were—but you'll notice those medals the boys are winning are rewards for merit *beyond the line of duty*.

It holds for the home front, too. *We've* noticed it in the fire insurance industry. There are fewer men available, severe transportation difficulties, and more work than ever. Yet pro-

tection is still being given—you don't see any signs "Sorry, No Insurance." And just for good measure, you'll notice that insurance agents are in the forefront of civilian defense activities.

Our company keenly feels the need to contribute *our* modest "something extra", so . . .

All new gross premiums collected by The Home for the balance of 1943 are being invested in War Bonds—OVER and ABOVE its normal bond purchases.

☆ THE HOME ☆
Insurance Company

NEW YORK

FIRE ★ AUTOMOBILE ★ MARINE INSURANCE

Ninetieth Anniversary Year

CHICAGO

HARTFORD FIRE CHANGE

J. O. Healey, special agent of the Cook county department of Hartford Fire on the south side of Chicago for two years, has entered the army and has been succeeded by Donald V. Murgatroyd. Mr. Murgatroyd, underwriter in the Cook county office, has been with the company for a number of years.

HONOR INSTITUTE STUDENTS

Students with the highest marks in the courses offered by the Insurance Institute last winter were given a dinner by the Chicago committee of the Institute, headed by A. T. Graham, and each student was presented with a \$25 war bond. The students honored were Miss Saline Stone, Pacific National Fire, inland marine; Robert D. Hill, Home, fire 2; Miss Alice L. Towne, Warner reciprocals, fire 3; Miss Mary McAllister, Warner reciprocals, fire 3; Miss Mary Gillfillan, Fred S. James & Co., general principles; Miss Clare Fennell, Loyalty group, surety, and Miss Natalie Smith, Marsh & McLennan, casualty 2.

BROKERS' NOMINATIONS

R. J. Migely, chairman of the nominating committee, has submitted nominations of eight directors for the Insurance Brokers Association of Illinois. The annual meeting will be held Oct. 19 in Chicago and the directors will then elect the new officers. Nominated for three-year terms are George A. Seaverns, Jr., now treasurer; George T. Scully, now second vice-president; Henry Dembafsky, who is presently a director; and M. E. Arkin, Joseph A. McGowan and Manuel R. Donchin. Nominated for a two-year term are Albert T. Graham, who is now a director, and Carl E. Thorsen.

ALEXANDER & ALEXANDER

L. R. MacNicholas, who has been associated with the New York office of the insurance brokerage firm of Alexander & Alexander, is now located in Chicago as resident vice-president. The operations of Alexander & Alexander are to be expanded there. C. E. Nyquist continues as manager in Chicago. Alexander & Alexander has operated a Chicago office for the past six years.

WATKINS BAR SPEAKER

Ferre Watkins, head of the liquidation bureau of the Illinois insurance department, is scheduled to address a luncheon meeting of the insurance committee of the Chicago Bar Association Friday on insurance legislation that was passed at the last session of the legislature.

STOKES GETS UNION MUTUAL

Union Mutual Fire of Providence has decided to enter the general brokerage field in Chicago and has appointed Ralph D. Stokes & Co. of 6471 Sheridan Road as recording agent. This means a substantial increase in the non-board market in the city, as Union Mutual specializes in handling large industrial lines. In the past few years Union Mutual has become extremely interested in the aviation field and expects to become aggressive in this department when conditions permit.

The Stokes agency which was established about a year ago, also represents General of Seattle, First National, General Casualty of Seattle and Badger

CASUALTY UNDERWRITING MANAGER

2 yrs. Supt. Casualty Dept.	B. O.
7 yrs. Comp. Underwriter	H. O.
8 yrs. Comp. & Lia. Underwriter	B. O.
3 yrs. Casualty Underwriter	G. A.
Age—43. Personality—Good. Ability—Excellent.	

FERGASON PERSONNEL

INSURANCE PERSONNEL SPECIALISTS
166 West Jackson Blvd., HAR. 9040, Chicago, Ill.

Mutual Fire. Mr. Stokes previously for about six years was with the Kemper organization.

NEW YORK

AVERELL BROUGHTON BUSY

Averell Broughton, the new public relations counsel of the National Association of Insurance Agents, is a busy man these days. He spoke before the International Claim Association at its meeting at the Edgewater Beach Hotel, Chicago. He also was one of the main speakers at the annual meeting of the New Jersey Association of Insurance Agents. He was in Chicago this week as a speaker at the meeting of the American Council on Public Relations. Next week he will be one of the foremost speakers at the annual meeting of the National Association of Insurance Agents in Pittsburgh.

QUEENS COUNTY GATHERING

The Queens County Brokers & Agents Association will have a testimonial dinner Oct. 21 for A. H. Goldberg of Goldberg Brothers, retiring president, and the other outgoing officers at Steinway Lodge, 1834 Steinway Street, Astoria, L. I. The occasion will also mark the installation of the new president, G. P. Simone, and the other new officers.

EXPRESSION OF HARMONY

The Suburban New York Association of Local Agents has transmitted to the New York State Association of Local Agents a pledge of loyalty and an agreement to cooperate with the state organization to the fullest. This position is indicative of the harmony and unity of purpose existing in the ranks of the state association, the general approval of its revised dues schedule and the steps being taken to make the state organization more representative of its entire membership.

Ed Smolen, who has been connected with Franklin Fire for the past four years, has joined Firemen's in Brooklyn as special agent.

IN U. S. WAR SERVICE

A large proportion of Travelers' home office employees in the armed service hold commissions, 40% of those in the navy and 30% of those in the army being officers. Of the balance 39% in the army are non-commissioned officers and 31% privates, while 19% of those in the navy are petty officers and 42% seamen of various classes.

This check was made on 456 of 468 home office people who have entered the service since 1940. No up-to-date data is available on the branch office employees and agents, who with the home office people now number 3,008 Travelers people in the service. In the army there are one colonel, two lieutenant-colonels, 17 majors, 17 captains and 69 lieutenants. In the navy there are two lieutenant-commanders, 19 lieutenants and 19 ensigns.

Staff Sergeant Don M. Reid, formerly fire engineer and special agent for the J. M. Wilson Corporation at Kalamazoo, Mich., has been reported missing in action in the European area. Sergeant Reid was a radio operator and gunner on a B-17. He is married and lived at Kalamazoo until entering service. He was formerly with the Michigan Inspection Bureau.

Armstrong Crawford, one-time president of Great Lakes Casualty of Detroit and later manager of the casualty department of Gould & Gould, Seattle general agency, is with the army transport service in Alaska. He was recently promoted to captain.

W. Ralph Mills, for five years special agent of Commercial Union in Oklahoma City, has entered the army and

will report at Fort Sill. Before joining Commercial Union he had been with the Kansas Inspection Bureau in Wichita and Topeka.

Walter H. Lemmond, Jr., of Atlanta, who formerly traveled Alabama for Norwich Union, is now a captain in the army in Sicily.

B. H. Roberts, special agent in Detroit and Wayne county of Fidelity & Guaranty Fire, has reported for duty with the navy. Mr. Roberts began his insurance career with the Fidelity & Guaranty at the home office in 1930. He has served as special agent in Ohio and Michigan since 1939.

L. E. VanArsdale, formerly with Royal-Liverpool in the Kentucky field, is now in the army at Fort Knox, Ky.

Lieut. K. W. Scott, formerly with the engineering division of the Kentucky Actuarial Bureau in Louisville, is reported now to be in England with the army engineers.

Samuel O. LeSueur, Jr., head of the Jefferson, Noyes & Embury agency, Louisville, recently commissioned an ensign in the coast guard, is leaving for St. Augustine, Fla., to start training.

William L. Cobb, agency manager of Hawkeye Casualty, Des Moines, has been inducted into the navy and is now at Camp Hill, Ida. He has been with

Hawkeye Casualty since 1934 and before that was with Ohio Casualty.

Claire W. Dunbar, special agent of American National and Detroit Fire & Marine in Columbus, has been commissioned an ensign in the navy.

Kenneth Ross, secretary of the Arkansas City (Kan.) Insurance Board, expects to report for service soon.

J. N. Robinson, assistant hull underwriter for Marine Office of America in New York, is now serving with the army transport service. He has been with the Marine Office since he graduated from New York State Merchant Marine Academy in 1935. He has served on the underwriting committee of the Tugboat Underwriting Syndicate.

Harold Jackson, president of W. H. McGee & Co., New York marine firm, has returned from a visit to St. Paul and Chicago.

Back to Inter-Ocean Home Office

S. D. Moon, assistant secretary of Inter-Ocean Reinsurance, has returned to the home office at Cedar Rapids. In 1934 he went to San Francisco to assist in the Pacific Coast branch office when Inter-Ocean entered that field. He has been working with J. L. Campbell, vice-president in charge of the San Francisco office.

OFFICIAL WAR MESSAGE

No. 9



A roof under your feet

That's what ceiling prices are! They enable you to plan your wartime budget on a good firm foundation. They enable you to look ahead and plan ahead without fear that next week or next month the prices of things you need will be way up.

But ceiling prices will work only if you personally make them work. They are for your protection. But they also are for you to observe and for you to enforce.

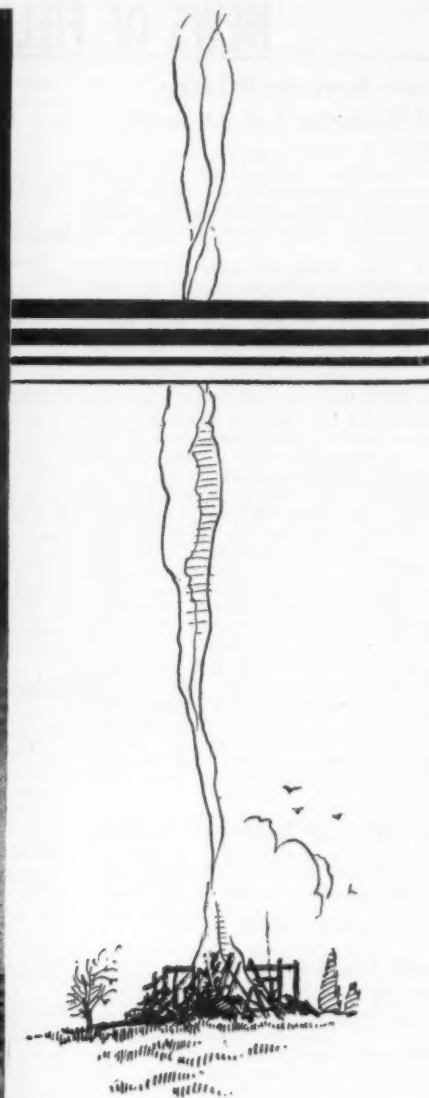
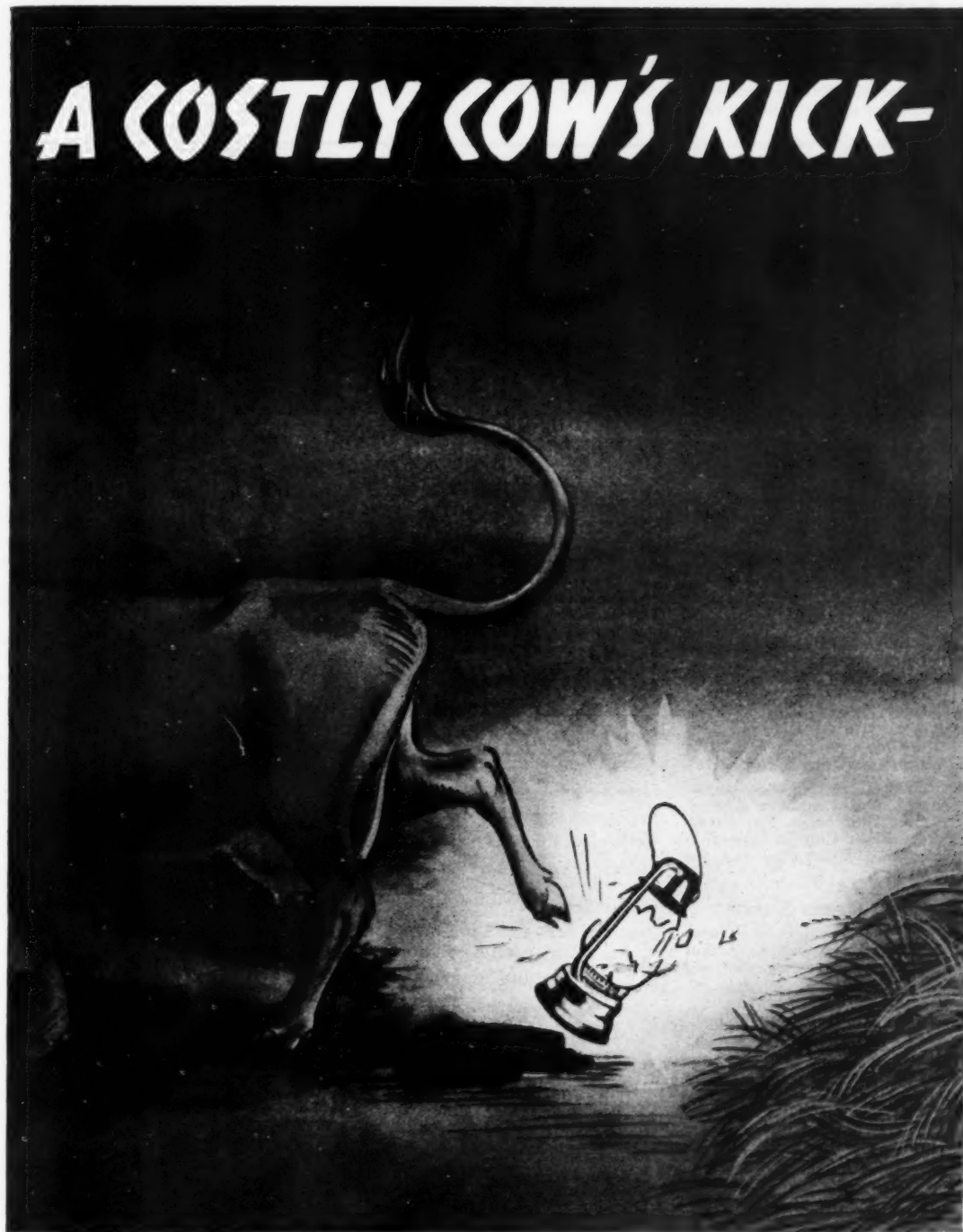
Know the ceiling prices of what you buy. Insist on seeing them prominently displayed. Buy only at ceiling prices. Protect ceiling prices . . . and they'll protect you!

Contributed by

National Union
and Birmingham
FIRE INSURANCE COMPANIES
PITTSBURGH · PENNSYLVANIA



A COSTLY COW'S KICK-



In October, 1871 occurred the great Chicago fire which put this company to its first big test here. It started in an outlying district among a poor class of buildings with frame surroundings—as popularly believed, in Mrs. O'Leary's barn, from the kick of a cow upsetting a lantern. A high wind prevailing at the time carried the burning embers to great distances with destructive effect. It was not long before the fire had gotten beyond control. For two days the flames raged, devouring everything in their path until they had burned over three square miles of territory and consumed between 17,000 and 18,000 buildings, both business and residential.

Insurance companies received a staggering blow, many being irretrievably ruined, while others were severely crippled. Nevertheless, the "North British" paid losses amounting to a total of \$2,333,000 and subscribed \$5,000 for the relief of sufferers.



**NORTH BRITISH AND MERCANTILE
INSURANCE COMPANY LIMITED**

NEW YORK - BOSTON - PHILADELPHIA - DETROIT - CHICAGO - SAN FRANCISCO



NEWS OF FIELD MEN

Nelson Reviews Whisky and Tobacco Adjustments

Frank Nelson, Louisville manager of the Western Adjustment, speaking before the Kentucky Fire Underwriters Association, discussed the new whisky underwriting forms and program of adjustment.

He also discussed new plans for adjustment of tobacco losses, in view of the present sky high prices of leaf tobacco. Mr. Nelson held that there has always been some question of liability on tobacco and also of ownership. Under the plan of selling tobacco over loose leaf floor at public auction the farmer hauls his tobacco to market and places it on the warehouse floor to be sold. Eventually a sale is held and all tobacco on the floor is sold at auction.

However, the farmer has the right to reject any bid made on his tobacco. Mr. Nelson held that while an hour or two is generally considered sufficient for rejection, actually rejection can be made any time during the business day.

If there has not been a rejection, normally the tobacco would pass into the hands of the purchaser, but if it remains on the floor any length of time, there may be an argument as to ownership, so he figures that a 24-hour period from time of purchase is sufficient and after that it would undoubtedly be the property of the purchaser and any loss would be under his general cover contract.

Normally the tobacco warehousemen carry fire and windstorm insurance while the tobacco is on their floors, and the problem is that of establishing when it passes out of the hands of the farmer, and when the tobacco warehouse company's coverage ceases.

Hershe Made State Agent

Fidelity & Guaranty Fire has appointed Willard B. Hershe state agent for western Missouri, Kansas and Nebraska with headquarters at 114 West 10th street, Kansas City, Mo. He served several years with the Western Adjustment before joining F. & G. Fire in June of this year.

F. & G. Fire's Michigan Shift

F. R. Grosvenor, special agent of Fidelity & Guaranty Fire, will now cover Detroit and Wayne county in addition to the state of Michigan except the upper peninsula, as B. H. Roberts, special agent for Detroit and Wayne county has gone into the navy.

Hear Rating Bureau Official

At a luncheon meeting of the New Jersey Special Agents Association in

Newark, J. Elmer Pearce, superintendent of the Schedule Rating Office of New Jersey, spoke on "Occupancy as a Factor in Rating."

He told how building occupancies affect the rate on both building and the contents.

Inspect Council Bluffs Nov. 3-4

Council Bluffs, Ia., will be inspected Nov. 3-4 by the Iowa Fire Prevention Association and Council Bluffs agents.

Principal speaker will be R. E. Vernor, Western Actuarial Bureau, Chicago.

Anthracite Field Club Meets

At its September meeting in Wilkes-Barre, Pa., the Anthracite Field Club heard W. J. Fahey of Wilkes-Barre discuss the problem of returning men in service to employment after the war. Mr. Fahey emphasized that now is the time to prepare plans so that they can be put into effect immediately when the war ends. James R. Gillard of Philadelphia was elected to membership. Past President R. C. Lomas, now chief petty officer in the coast guard, was a surprise visitor.

Inspect Hamilton, O., Oct. 14

The Fire Prevention Association of Ohio will hold its first inspection of the year at Hamilton Oct. 14. Richard E. Vernor, Western Actuarial Bureau, Chicago, will speak, as will T. J. Ocsek, Underwriters Service Association.

Ohio Speakers to Hear Gray

Senator T. M. Gray, secretary of the Ohio Association of Insurance Agents, will address the Ohio Stock Fire Insurance Speakers Association in Columbus Oct. 11 on "Free Enterprise and the Agency System."

Bay State Club Opens Season

The Bay State Club will open its winter meetings in Boston Oct. 8. Arthur B. Monroe, private investigator, will speak.

Edmondson in Minneapolis

George E. Edmondson of Miami, grand guardian of the Blue Goose, and Mrs. Edmondson were guests of honor at a cocktail party and reception in Minneapolis, given by Mr. and Mrs. Thomas Linnell. Officers of the Minnesota pond and their wives were guests. During his stay in Minneapolis Mr. Edmondson also attended a football meeting of the Minneapolis Kiwanis Club as the guest of Wheaton A. Williams of the Fred L. Gray Co., and told of some of the games he has witnessed this fall.

Organize Cedar Rapids Puddle

Field men from Waterloo and Cedar Rapids met in Cedar Rapids Monday evening to organize a puddle of the Iowa Blue Goose. The Iowa pond at its last annual meeting authorized the organization of the puddle. O. L. Hansen, Rain & Hail Insurance Bureau, Nora Springs, most loyal gander, and J. H. Buntin, Fire Association, past loyal gander, represented the pond at the meeting.

The Intermountain Fire Underwriters Association held its first meeting of the season in Salt Lake City. The session was devoted almost entirely to a discussion of Fire Prevention Week.

The Alabama Blue Goose will hold its annual party in Montgomery Nov. 11, the day preceding the November meeting of the Alabama Fieldmen's Association.

Frank P. Foisie, president of the San Francisco Waterfront Employers Association, addressed the San Francisco Blue Goose Monday on "Ships and Cargoes for the Pacific War." Charles R. Page, president of Fireman's Fund, was chairman.

Get on the
Public
Budget

THIS statement is not an invitation for anyone to climb on the charity rolls. Instead, it's an invitation for alert agents to increase business and help public and charitable institutions to protect themselves. This is the time of the year when such organizations are preparing their budgets. Now is the time for you to secure your share of their business.

Among the many coverages offered by Alliance Insurance Company of Philadelphia, are policies specifically designed for this field. Write to Alliance today . . . and be ready to serve a valuable group of customers.



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"PM" Takes Some Wild Swings

NEW YORK—"What the Insurance Racket Is Up To" is the way that "PM", Marshall Field's leftish New York City newspaper, headlined an extensive article on the bills now pending in Congress which would specifically exempt the insurance business from the federal anti-trust laws. The article states that "Gov. Leverett Saltonstall of Massachusetts and the council of state governors are being used as a front for a gigantic fire insurance lobby which is threatening to push through Congress legislation to protect an insurance racket through which the public is being milked of hundreds of millions of dollars."

The article goes on for a full tabloid-size page in much the same vein and there is a separate quarter-page article on the succeeding page, which deals with life insurance.

The main article complains that because fire companies "have been charging the public \$1 billion annually in premiums for only \$400 million a year of losses," the plea of states rights is a smoke screen, that the companies operate without any regulation of their rates in 25 states and with only partial regulation in nine more while in virtually all states "the companies have eliminated competition among themselves by rate agreements that are strictly enforced by boycotting anyone who refuses to cooperate."

The article's author, Nathan Robertson, states that "huge profits have been realized from this monopolistic unregulated traffic on the public" and that "the stock companies which are involved in the anti-trust action and the lobby have declared a third as much in dividends as they have given back to the public in protection," while "huge additional undistributed profits have been piled up."

The article states that studies by the Justice Department indicate that the companies "have not only boosted the rate structure far beyond any justification but have unloaded an unfair proportion of the fire losses on the general public by discriminating against municipally owned property and small stores and in favor of big industries which could force the companies to compete against each other." It also cites as coming from the Department of Justice the "evidence" that big companies which are in a position to shop around for their insurance get it for "less than the actual losses paid out, while retail and wholesale buildings pay five times as much in premiums as they collect on losses."

The "PM" article dealing with life insurance is largely a rehash of material developed by the Temporary National Economic Committee.

Sunday night Drew Pearson, Washington columnist, said in his regular radio broadcast that the fire insurance companies of the country have appropriated about \$700,000 to push through the bills which have been introduced in Congress to exempt the insurance companies from any jurisdiction under the anti-trust law.

Marine Office of America announces that Michael J. Cecora, Jr., has entered the Army Transport Service. A graduate of the N. Y. State Merchant Marine Academy, Mr. Cecora joined the Marine Office in 1937. He has seen service at Chicago and Syracuse as well as at New York.

Maj. F. Miner Shaw, former local agent in Sioux Falls, S. D., also national councillor of the National Association of Insurance Agents, is now intelligence officer with an Eighth air force Fortress group somewhere in England.

The Seattle Blue Goose heard a talk by Pfc. Harry Thomas of the marine corps, who fought in several major engagements, including Pearl Harbor and Guadalcanal.

Await Final Word on CAA Cover

WASHINGTON—A decision is expected within the next week or so from the Civil Aeronautics Administration as to whether it will go ahead with its proposal to insure for hull coverage the approximately 8,000 training planes which are owned by Defense Plant Corpora-

tion and lent to flight training contractors. The comptroller general authorized the premium expenditure provided that it would be a good business move on the CAA's part to obtain repair service more quickly and reasonably than would be possible with its own facilities.

A survey by CAA led its officials to the tentative conclusion that they had developed their personnel and equipment to the point where it would be

better for them to handle their own repairs rather than insuring, and that hence insurance should not be carried, since the government was not interested in the indemnity angle.

However, the CAA is now engaged in a more detailed analysis, upon which it will base its final decision whether or not to insure.

The "Pictograph's" visual sales aids gets the A. & H. apps, \$3.00. The A. & H. Bulletins, 420 E. 4th St., Cincinnati 12, Ohio.

This wartime message from your Insurance Agent can help you

As your agent or broker, I wish I could get around to see you the way I used to—to help determine your risks and tell you about new and better coverages. But—what with gas rationing and shortage of help—it just isn't in the cards.

Of course I still get around as much as I can. And recently I've found so many people with problems needing attention, that I think a message of warning to you is in order.



Protection costs LESS today!

You are the one most vitally interested in being properly insured. The premium you pay the company and the commission I get are trifles compared with the large losses to which you may be exposed at this very minute!

Perhaps you don't know there is a broad new policy that covers damage suit hazards in and around the home

— covers your dog, personal acts and other things for which you may be legally liable, all for only \$10.



Have you heard of the new theft policy that covers property belonging to you, your family, your guests, your servants? It's much broader, much lower in cost than former policies.

Many people don't realize that because of rationing, automobile insurance rates have been slashed so much that "can't afford it" just isn't an argument in these times.



And with property values changing rapidly, fire insurance policies should be thoroughly reviewed in many cases.

We are at war. We are on the offensive.
Back the attack by buying War Bonds.

Let's talk things over

These are just a few of the things you and I should discuss. When I say "I," I'm speaking for any agent or broker in whom you have confidence.

Let's look at it on the basis that I want to help you get the protection you need—not that I just want to sell you something. Since I can't be everywhere at once, won't you look me up? Phone me or drop in to see me so I can help you protect yourself in these difficult times.



To wives of servicemen

If you are now charged with full responsibility of the household—and don't know where to turn for advice on insurance problems—you may be sure that any agent or broker in your community will gladly help you.

Your Insurance Agent

HARTFORD INSURANCE

Hartford Fire Insurance Company • Hartford Accident and Indemnity Company

THE TWO HARTFORDS WRITE PRACTICALLY EVERY FORM OF INSURANCE EXCEPT LIFE



HARTFORD, CONNECTICUT

The Two Hartfords are glad to place this important message before 7,500,000 readers of National Publications in behalf of all insurance producers. These are times when it helps to have a thorough understanding of the other fellow's problems.

Woodsmall Leaves Service Bureau for Agency Work

The resignation of Barrett M. Woodsmall, vice-president of the American Service Bureau since 1933, and assistant to the manager of the American Life Convention, was announced this week.

Mr. Woodsmall plans to return to Indianapolis about Jan. 1 to again become associated with his father, Hubert H. Woodsmall, as executive vice-president and general manager of the H. H. Woodsmall Agency, one of the leading general insurance agencies in Indiana. The agency was established by H. H. Woodsmall about 40 years ago. Barrett Woodsmall was secretary and treasurer of the agency from 1924 to 1930.

The Woodsmall family also has extensive real estate holdings in Indiana and Florida and Mr. Woodsmall will devote much of his time in looking after these properties in association with his father. They have a local agency and real estate office in Miami.

Mr. Woodsmall joined the American Service Bureau in 1930 as executive assistant and was elected vice-president in 1933. During the past 13 years Mr. Woodsmall has been an important factor in expanding the services of the bureau to the members of the American Life Convention.

The Woodsmall agency is famous for its advertising slogan "We insure every thing except the hereafter." H. H. Woodsmall desires to be relieved of some of the more onerous responsibilities.

Mr. Woodsmall's duties with the American Service Bureau will be assumed by Robert R. MacKenzie, who has been manager of the Chicago branch office of the bureau since 1927. Mr. MacKenzie has been with the bureau since 1923 and is well known by many life insurance people. He is also known in the accident and health field and he has been an officer of the Chicago Accident & Health Association.

Barrett Woodsmall is a graduate of Indiana University. As a youngster he worked in his father's agency and after college he worked there for seven years. At the same time he was secretary-treasurer of Union of Indiana, a controlling interest in which the Woodsmalls owned.

Barrett Woodsmall while he lived in Indiana owned a number of dirt track racing automobiles and drove in many races. He also learned to fly following the first world war and barnstormed in a "Jenny," training plane used in that war.

The Adjusters Bowling League at Detroit has opened its season with 22 teams competing.

BUSINESS NEED NOT "FLY BLIND"



Our services chart a safe course through problems involving property insurance protection.

The AMERICAN APPRAISAL Company
CONSULTANTS IN PROPERTY ECONOMICS

ACV Problem Plagues Insurers

Although few companies, if any, are insisting that all private passenger car business be written on the stated amount basis rather than under the actual cash value plan, yet a good many companies are requiring certain classifications of business to be placed on the stated amount basis. For instance, one company requires that all cars written under finance accounts that are of 1939 vintage or older be written on the stated amount basis and it has been successful in getting much of its agency business so written as well.

With used car values skyrocketing and with motorists being able to sell a two or three year old car for more than they paid for it new, the actual cash value system has gone into reverse and gives the assured a striking advantage as compared with the stated amount plan. In normal times, with the value of cars depreciating in predictable fashion, the stated amount and the ACV plans are in balance.

Almost without exception the insurers are requiring that commercial car business be written on the stated amount basis and that requirement is being accepted by agents and assured.

Although the collision coverage is on the actual cash value basis, some of the companies are inserting a provision in commercial car policies that the limit of liability under the collision feature shall be the amount of insurance stated for the fire and theft item. With repairs, replacements and labor as dear as they are today, it is frequently found that it is more expensive to put a damaged car back in operation than it is to replace the vehicle with one of like kind and age.

In spite of some agitation for an increase in rates for actual cash value protection many underwriters feel that if such action were taken, one of the best bids for public good will that ever presented itself to the public would be overlooked.

A policyholder having an actual cash value provision in his policy is gratified to know that he would get the market value for his car if anything happened to it rather than a stated amount which might be considerably less than the real worth of the car today. For example, a 1940 model which originally cost about \$1,125 would bring say \$1,200 in the market while if it were written stated amount the agent might insert the figure of \$850.

Claim Frequency Is Down

Although the cost per claim is greater today the claim frequency is down. There are not as many cars on the road and the owners are using them more carefully. Cars are more valuable to their owners "alive" than "dead" and a car owner's prayer today is that his machine will stay in the running as long as the war lasts.

Those who oppose an increase in the rates believe that what bad experience is encountered now is offset by the acquisition of public goodwill. Another factor to be taken into consideration is the reaction which will set in after the war is over. Market values of cars will take a dive as soon as there is a certainty that new cars will be produced. It is recalled that during the last war this happened. A Packard which was valued and insured at \$4,200 was worth only \$2,100 when the war ended.

The companies generally have not been disappointed in the automobile business this year. The first terrific drop was due to evaporation of finance business but after that was cleared away, it was found that the fire companies' business was off only about 10%. Agency business is good. Many car owners who formerly carried no insurance now realize the value of the coverage and recognize the fact that if their cars are insured, they have a better chance of having them repaired should it be necessary.



LET'S CO-OPERATE!

Our Government asks us to co-operate in a program to keep prices down. Here are some things we can do:

Save our money, investing as much of it as we possibly can in War Bonds.

Reduce our debts and make no new ones.

Buy only what we need, making what we have last a little longer.

Abide by rationing rules to conserve goods in which there are shortages.

Co-operate with the Government's Price and Wage Stabilization Program.

Pay our taxes willingly, even increased ones which may be necessary.

Safeguard against loss by insuring all physical property against disaster.



THE SPRINGFIELD GROUP

W. B. CRUTTENDEN, President

SPRINGFIELD FIRE & MARINE INSURANCE COMPANY	SPRINGFIELD, MASS.
CONSTITUTION DEPARTMENT	SPRINGFIELD, MASS.
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—and on the usual share-the-cost plan basis)

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Saint Paul
FIRE AND MARINE
INSURANCE COMPANY
ST. PAUL, MINN.

Mercury
Insurance Company
ST. PAUL, MINN.

"At Your Service—With Service"

Program for Maine Agents Oct. 20 Is Completed

The program for the annual meeting of the Maine Association of Insurance Agents Oct. 20 at the Augusta House, Augusta, has been completed.

The executive committee meets in the morning. There will be a luncheon gathering. President John Whitcomb of Bar Harbor will give his address at the afternoon session. Secretary E. S. Paul of Auburn will report and then the election will take place. David A. North of New Haven, outgoing N.A.I.A. president, will give an address as will Commissioner Perkins of Maine and W. W. Ellis, agency superintendent of Aetna Casualty.

Governor Sewall of Maine will be the banquet speaker.

Memorial for Huggard

COLUMBUS—The Ohio Fire Underwriters Association at its meeting in Columbus Tuesday appointed a committee composed of C. G. McCray, Great American; R. S. Tidrick, Springfield F. & M., and D. C. Morgan, State of Pa., to prepare a memorial to R. T. Huggard, Great American, who died this week. The address was made by Tom McNitt of the arson department of the National Board. J. J. Such, Automobile, who has been transferred to Pittsburgh, resigned. New members are Walter A. K. Millar, manager service department of North America, Cincinnati, and Elmer C. Wise, special agent of Hartford at Toledo. He succeeds Dale Bowen, who has entered the service.

Start Study Course in Syracuse

The Syracuse Insurance Women's Association has started the study of fire insurance and allied lines under the N.A.I.A. course. Robert C. Hosmer, president of Excelsior of Syracuse, is in charge.

Lecturers include: F. L. Greeno, Rochester, former president New York State Association of Local Agents; Philip J. Koch, Excelsior; K. E. Chapman, vice-president Agricultural; T. D. McCarl, assistant manager Interstate Underwriters Board, New York; Fred J. McManus, manager Fire Companies Adjustment Bureau, Syracuse; Leo E. Kietzman, secretary American of Newark; Arthur Birchenough, manager New York Fire Insurance Rating Organization, Syracuse.

WANT ADS

WANTED

Assistant manager for branch department office of large, old, established stock casualty company. Michigan field experience preferable. Give full particulars regarding qualifications, otherwise replies will not be answered. Address replies to Box T-28, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

CASUALTY UNDERWRITER

Unusual opportunity for a thoroughly competent man of executive caliber to manage the casualty business of a well established agency in their Chicago office. There is a large volume of business involved and the applicant must be a seasoned underwriter, producer and manager of proven ability. Please furnish complete details and references. Box No. T-27, National Underwriter, Chicago 4, Illinois.

ILLINOIS FIELD

What stock fire company can use a qualified field man under forty, married, children, engineering experience? Now employed as State Agent but want permanent position in Central Illinois for family reasons. Address T-26, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

LOCAL AGENCY WANTED

Interested in paying cash for fire and casualty agency. Prefer income \$5,000 or over in Southern or Southwestern city. Would consider buying interest in large agency. Have had fifteen years' experience. Address T-25, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

New York City Blue Goose Hears Grand Nest Report

Members of the New York City Blue Goose heard from P. M. Winchester, Fire Companies Adjustment Bureau, grand custodian of the goslings, a report of the recent grand nest meeting in Milwaukee which because of the transportation crisis was substituted for the annual convention. As past most loyal gander of the New York pond, Mr. Winchester also presented the past most loyal gander emblem to R. F. Moore, the retiring most loyal gander.

Richard Williams, North British & Mercantile, most loyal gander, introduced J. H. Martin, most loyal gander of the San Francisco pond, who made a brief talk. A number of Blue Goose members from other ponds were also visitors.

The pond adopted a memorial on the late Joseph Kasas, who was special agent of National Union in Newark.

Mr. Williams appointed the following as guards: A. E. Monsanto, Firemen's, Newark; L. C. Griswold, Home, Newark; E. W. Hoffman, Fire Companies Adjustment Bureau, Newark; W. P. Rogers, Firemen's, Newark; R. S. Kism, Stock Company Association, New York City; and J. F. E. Wood, C.P.A., fire insurance accountant.

New Members

Four members were voted into the pond, T. B. Bradley, Fire Companies Adjustment Bureau, Pittsburgh; James Mehorter, Home; D. S. Brittin, and A. B. Mattice, both of Fire Companies Adjustment Bureau, Newark office. Nine new members were obligated, they being Messrs. Brittin and Mattice, and R. P. Crawford, Newark, state agent Glens Falls; Eli Berger, Fire Companies Adjustment Bureau, New York City; J. A. Reid, Fire Companies Adjustment Bureau, New York City; G. W. Braun, adjuster, North British & Mercantile, New York City; W. M. Whitesell, Jr., examiner Fire Companies Adjustment Bureau, New York City; H. C. Buermeyer, special agent, Pacific Fire, New York City and R. B. Mitchell, THE NATIONAL UNDERWRITER. Mr. Winchester administered the obligation and F. L. Bross, Yorkshire, administered the charge.

The pond appropriated \$200 to be spent on Christmas gifts for members in the armed forces and voted to circularize the membership asking for additional voluntary donations for this project. The pond is pushing its education. The pond is pushing its education. "Blue Goose News" will carry an article by authorities on various subjects of interest to the members.

Ohio Casualty Makes Changes in Michigan

Carl C. Weinrich, who has been manager at Detroit for Ohio Casualty, has now been transferred to Philadelphia as vice-president in charge of the eastern department. The new Detroit manager is T. H. Zimmerman, who has been located at Grand Rapids, Mich.

Wade Hoffman becomes assistant manager in Detroit. B. M. Saidner is named claim supervisor for Michigan. He was formerly located at Dallas.

At this time Ohio Casualty is opening a complete branch office in the Michigan National Bank building at Grand Rapids with Otto Derengnauert as manager. He was formerly at Cleveland. C. V. Carlson becomes associate manager.

Luncheon for Dineen

NEW YORK—Chairman J. S. Phillips of Great American Indemnity gave an informal luncheon Wednesday for R. E. Dineen, the new insurance superintendent. Other guests were company and organization executives, the purpose of the occasion being to enable them to get acquainted with Mr. Dineen.

Meeting Today's Need

with

More Inspectors Than Ever



UNDER today's conditions, many industrial power-plants are running at close to full capacity 24 hours a day and seven days a week. This leaves them little opportunity to shut down for the repairs and maintenance attention that would be needed even under more normal conditions. Because of this, effective inspections have become more vital than ever before in helping to avoid accidents.

To meet this situation, Hartford Steam Boiler today has the largest staff of inspectors in its history—all devoting full time to power-plant safety.

The facilities for making effective inspections should weigh heavily with thoughtful buyers and with agents and brokers who are entrusted with the responsibility of arranging their clients' insurance protection.

**The Hartford Steam Boiler Inspection
and Insurance Company • Hartford, Connecticut**

For Power-plant Insurance, It Pays to Choose the Leader

EDITORIAL COMMENT

A Step in the Right Direction

The personnel-protection plan introduced by the U. S. F. & G. is one of those ideas which produces the reaction, "Why didn't someone think of that before?" It is logical and effective. It cuts down dishonesty losses, but what is of more immediate importance, it conserves an appreciably large number of employees when everyone of them is desperately needed. At the same time it prevents the more or less permanent impairment in economic usefulness of men and women whose positions often require skill and responsibility.

The tendency in insurance is to become less a business that accumulates funds for payment of losses and more of one that has a pool of special talent skillful in the prevention of the eventuality insured against. The war has increased the realization that there is not an unlimited supply of resources, even in America, and that prevention of waste through fire and casualty is a job essential for the country's present welfare and its future position. A large

part of the work of boiler and machinery insurance is and long has been to conserve rather than to indemnify. It is significant that in the pressure for manpower during the war insurance as such has been considered neither essential nor non-essential, but that those in it who possess special engineering skills, largely devoted to prevention and conservation, have been generally deferred as essential.

The selling of insurance and payment of losses are an important job and one that is necessary in the American economy. But they constitute a business. If, as time goes on, loss prevention becomes a chief function, insurance would be a profession. Then, it is possible, an agent might need to possess technical knowledge in the conservation of material and human resources and a company have on hand such talent as well as so much in assets, in order to be accepted in the field.

As the reflection of a sound tendency in the business, the personnel-protection plan is a significant and important step.

Pays to Play Safe

Newspapermen are always instructed to dodge superlatives. Regardless of any statement that may be made about a man or concern being the oldest, someone else will bob up and prove he is still older and so it goes up and down the line. So a decidedly safe way of expressing one's self is to say, "one of the oldest." This is seen in different features of insurance coverage that have originated from time to time. Someone will make the statement that he was the father of a certain clause

or provision or coverage and as soon as this is made public, someone else will bob up and show that he originated the idea. As a matter of fact, perhaps a number of minds were working along the same line and reached conclusions at about the same time. There are some cases where it is definitely known who originated a feature. Others are still doubtful. However, no man ever gets into trouble if he claims that he was one of the earliest to discover or invent any feature.

Advancing Step by Step

C. F. KETTERING, famous inventor and scientist, research director of General Motors, in an address before the Union League Club of Chicago, spoke about the great advance that has been made in research and laboratory work, declaring that no line of activity should become so self satisfied not to accept change when improvement could be made.

All articles of invention, he said, at the start have been crude. It was necessary to make the first step. Then after some experience had been gotten the next step could be made. There is always need for constant advancement. He declared that in research work there

must be failures. However, he said that such failures to be justified must have resulted from an intelligent effort. If a failure comes from false and fantastic thinking it cannot be justified.

Mr. Kettering made the point that inventors like everyone else need to be fortified with knowledge. They should be prepared to take advantage of a situation and when some improvement can be made their experience and knowledge will stand them in good stead. All preparation, he said, is back of every great success.

We can all take such philosophy as this to ourselves because it comes from a man whose inventions are second in

number to those of the famous Thomas A. Edison. Mr. Kettering has always felt sure of his ground before he started to experiment. He saw his goal and it was up to him to try to find the road

to it. It could not be found at once but if his calculations were correct, eventually the way would be found if perseverance prevailed. He charted his course well before he started.

PERSONAL SIDE OF THE BUSINESS

Robert S. Glass, vice-president of Great American, was feted by officers of his company at a luncheon in observance of his 50th anniversary with Great American. He was presented with a gold watch and 50 cigars.

Mr. Glass was born and educated in Philadelphia and went with the William Arrott agency of that city in 1882. A year later he went with Great American as assistant special agent in the middle department and in 1886 went into the home office as agency superintendent in charge of the middle department. Later he was placed in charge of the middle and southern states. Upon being appointed assistant secretary he assumed jurisdiction over the southwestern states and continued in that capacity as secretary. He was appointed vice-president 15 years ago and has been closely associated with the agency department as assistant to Vice-president A. R. Phillips.

The Purple Heart medal has been awarded posthumously to First Lieut. Robert A. Moose, son of **Conn W. Moose**, Omaha general agent for Guarantee Mutual Life and former Nebraska insurance commissioner. Lieut. Moose was killed April 3 in the Southwest Pacific in an airplane accident. The formal presentation took place at Lincoln air base. In addition an Oak Leaf Cluster and two air medal Oak Leaf clusters have been awarded posthumously.

William A. Bartlett, western manager of Halifax with headquarters in Chicago, is in the midst of a six weeks trip to the Pacific Coast.

Kemp S. Dargan, president of Cravens, Dargan & Co., Houston, Texas, has been in St. Paul on business.

W. P. Huffman, state agent of National Fire, Louisville, who suffered a heart attack June 15 and spent ten weeks in the hospital and five weeks at home, is now spending a few hours daily at the office, but is not able to travel as yet.

Tom G. Wilds, special agent in Kentucky of Hartford Fire, who broke a leg some weeks ago in a fall at his home in Louisville, is still confined at St. Joseph's Hospital with his leg in a cast, but expects to be able to go home before the end of the month.

DEATHS

Fred B. Seymour, 84, a director of National Fire, who resigned in 1940 as secretary-treasurer after 58 years of service, died at Hartford Hospital. He was dean of the employees of the company. He was born in Whitely, Mass., and went to Hartford in 1875. After a seven-year commercial career he joined National Fire in 1882, when the home office organization consisted of only nine employees besides himself, as assistant bookkeeper, then head bookkeeper, cash-

ier and chief clerk. He was named treasurer in 1912 and secretary in 1929. He became a director in 1933. When he resigned as secretary-treasurer in 1940 he had served under every president the organization had had. A son, M. B. Seymour, is assistant secretary of Aetna Fire and World Fire & Marine.

Ernest S. Melvin, staff adjuster of the Fire Companies Adjustment Bureau at Providence, R. I., since 1928, and before that for some years with Equitable Fire & Marine and Automobile, died in Providence.

Romeo A. Quimby, 73, president and treasurer of the Quimby & Rossiter agency of Claremont, N. H., died after a long illness.

Harry West, 66, chairman of Farm Bureau Life and director of Farm Bureau Mutual Automobile and Farm Bureau Mutual Fire of Columbus, died in a Columbus hospital.

Charles E. Affeld, Jr., son of Charles E. Affeld, Sr., Chicago local agent, was killed when a training plane in which he was giving flying instructions crashed near Chicago. He was a flight instructor at the Harlem Airport. Mr. Affeld, Jr.'s grandfather, Charles E. Affeld, was one of the pioneer agents of Chicago, being a member of the firm of Witkowski & Affeld, which operated a local agency and also was western manager for Hamburg-Bremen.

R. T. Huggard, an active Ohio field man for 55 years, an insurance man for 63 years and one of the fabled characters in fire insurance, died at his home in Columbus, O., early Monday morning. On his 80th birthday last Aug. 20, Mr. Huggard's associates gave a luncheon for him in Columbus. He had been ailing prior to that time and the excitement of the day seemed to have affected him and since that time he had been confined to his home upon doctor's orders.

Mr. Huggard was born in Chicago and after completing a grade school education he went with the Western News Company for a time and on Oct. 7, 1880, joined Springfield F. & M. as office boy in the western department. In 1888 he was transferred to Columbus as special agent and remained with Springfield until 1919 when he became state agent for Great American. In addition he was a director and vice-president of American National of Columbus, which is a member of the Great American group.

About three or four years ago Mr. Huggard was relieved of daily responsibilities in the field and was permitted to come and go as he chose. He continued to be active and would travel with special agents in various parts of the state.

Mr. Huggard was a man of diminutive stature. He had a manner that invited confidence and he had a way of getting news and divulging what he knew where it should be divulged. He knew every nook and cranny of the state and had an enormous acquaint-



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ancesship. He was intensely interested in any development affecting the insurance business and for many years he was representative in Ohio of the laws committee of the National Board. He had the confidence of men in public office and knew his way in political circles.

In 1940 upon his 60th anniversary in the business, Mr. Huggard was given a surprise party in Columbus that was very largely attended.

A son, R. T. Huggard, Jr., is a lawyer in Columbus and has served as claim representative for Great American Indemnity for a number of years.

Mr. Huggard witnessed and vividly recalled the great Chicago fire.

Mr. Huggard held every office and received every honor Ohio field men can receive. This included the presidency of the Ohio Fire Underwriters Association and most loyal gander of the Blue Goose. He was the oldest living state agent in Ohio and was known as the dean of fire insurance men. The field men of Ohio affectionately knew him as Uncle Dick, because of the deep interest he had always taken in them.

S. M. Buck, vice-president and western manager of Great American, attended the funeral services Wednesday.

Clem L. Ziebell, 44, hail special agent for Great American at Des Moines, died Monday evening after an illness of about two months. The funeral is being held at Herington, Kan., Thursday.

George F. Dean, veteran Minneapolis local agent, died there.

Alfred H. Noyes, senior member of the Noyes agency, Parsons, Kan., died suddenly. As his son, George M., is in the army, the future of the agency is yet to be decided.

Louis M. McGee, 76, veteran local agent of Petersburg, Va., died last week.

George Baker, 82, who organized the Union Mutual of Iowa in 1896, died at his home at Emmetsburg.

Household Inventory Campaign

Security of New Haven is sending its agents new sales promotion campaigns on the use of household inventories as a business getter, and on automobile medical payments insurance.

Speaking of sending out household in-

Jenckes Special Risk Manager of Security, Conn.

Malcolm A. Jenckes has resigned as special agent in the western branch of Factory Association in Chicago to join Security of New Haven at the head office in charge of the special risk department. Mr. Jenckes graduated from Massachusetts Institute of Technology in 1926 and then after a period of service with the DuPont Company joined Western Factory in 1931. He served as underwriting supervisor until he became special agent.

Inventory booklets, the companies state: "People will react favorably to a courtesy of this kind. Even if they don't complete the booklets, sending them to your clients and prospects is good public relations.... We realize that there's little money to be made writing household contents fire insurance. But more than that may be sold. First, and obvious, is extended coverage. But once you get there and have the confidence of a buyer, there are a dozen lines you can talk about—automobile, personal property or personal effects floaters, inland marine lines like furs and jewelry, camera or fine arts insurance. Many of your assured have property of special value that should be insured under inland marine forms, and a household inventory—or even just a start on one—will reveal them."

New two-color blotters, illustrated with amusing, pointed cartoons, are offered as part of both campaigns. A window or wall poster, an illustrated newspaper advertisement, and a household inventory booklet are offered as part of the campaign on that subject. A folder on medical payments, as well as the blotter, is made available.

Sell disability with "Seven Good Reasons Why" folder. Get samples from The A. & H. Bulletins, 420 E. 4th St., Cincinnati 2, Ohio.

Statement of the Ownership, Management, Circulation, etc., Required by the Acts of Congress of August 24, 1912, and March 3, 1933.

Of The National Underwriter, published weekly, with one additional issue in April, at Chicago, Ill., for October 1, 1943: State of Illinois, } ss: County of Cook, }

Before me, a notary public, in and for the state and county aforesaid, personally appeared Howard J. Burridge, who, having been duly sworn according to law, deposes and says that he is the secretary of The National Underwriter Co., publishers of The National Underwriter, and that the following is to the best of his knowledge and belief, a true statement of the ownership, management (and if a daily paper, the circulation), etc., of the aforesaid publication for the date shown in the above caption, required by the Act of August 24, 1912, as amended by the Act of March 3, 1933, embodied in section 537, Postal Laws and Regulations, printed on the reverse of this form, to wit:

1. That the names and addresses of the publisher, editor, managing editor, and business managers are: Publisher, The National Underwriter Co., Chicago, Ill. Editor, C. M. Cartwright, Evanston, Ill. Managing Editor, Levering Cartwright, Evanston, Ill. Business Manager, H. J. Burridge, Hinsdale, Ill.

2. That the owner is: (if owned by a corporation, its name and address must

be stated and also immediately thereunder the names and addresses of stockholders owning or holding one percent or more of total amount of stock. If not owned by a corporation, the names and addresses of the individual owners must be given. If owned by a firm, company, or other unincorporated concern, its name and address as well as those of each individual member, must be given.) The National Underwriter Co., Chicago, New York, Cincinnati.

Southern Ohio Savings Bank & Trust Company, Cincinnati, Ohio, trustee for Stella Goss Wohlgenuth, Elizabeth W. Herschede and John F. Wohlgenuth.

C. M. Cartwright, Evanston, Ill. H. J. Burridge, Hinsdale, Ill. G. W. Wadsworth, Highland Park, Ill. R. E. Richman, Boston, Mass.

3. That the known bondholders, mortgagees, and other security holders owning or holding 1 percent or more of total amount of bonds, mortgages or other securities are: (If there are none, so state.) None.

4. That the two paragraphs next above, giving the names of the owners, stockholders, and security holders, if any, contain not only the list of stockholders and security holders as they appear upon the books of the company, but also, in cases where the stockholders or security holders appear upon the books of the company as trustee or in any other fiduciary relation, the name of the person or corporation for whom such trustee is acting is given; also that the said two paragraphs contain statements embracing affiant's full knowledge and belief as to the circumstances and conditions under which stockholders and security holders who do not appear upon the books of the company as trustees,

hold stock and securities in a capacity other than that of a bona fide owner, and this other person, association, or corporation has any interest direct or indirect in the said stock, bonds or other securities than as so stated by him.

5. That the average number of copies of each issue of this publication sold or distributed, through the mails or otherwise, to paid subscribers during the six months preceding the date shown above is..... (This information is required from daily publications only.)

The National Underwriter Co., publisher, by Howard J. Burridge, secretary.

Sworn to and subscribed before me this 18th day of September, 1943.

(Seal) J. C. O'Connor, Jr., Notary Public. (My commission expires Sept. 27, 1945.)

Tradition Counts—

THE QUALITY of seasoned age which grows from decades of an honorable business career stands firm today... giving added support to Agents of The Caledonian Group.

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Founded 1805

CALEDONIAN AMERICAN INSURANCE COMPANY

Founded 1897

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EXECUTIVE OFFICES HARTFORD, CONNECTICUT

STOCKS

By H. W. Cornelius, Bacon, Whipple & Co., 135 So. LaSalle St., Chicago, at close of business Oct. 4, 1943

	Par	Div.	Bid	Asked
Aetna Cas.	10	5.00*	140	145
Aetna Fire	10	1.80*	55	57
Aetna Life	10	1.40*	35	36 1/2
Amer. Alliance ..	10	1.20*	23	24 1/2
Amer. Equitable ..	5	1.00	19 1/2	21
Amer. Home	10	...	10 1/2	11 1/2
Amer. (N. J.)	2.50	...	15	16
Amer. Surety	25	2.50	59	61
Balti.-Amer.	2.50	...	7 1/2	8 1/4
Boston	100	21.00	590	615
Camden Fire	5	1.00	21 1/4	22 1/4
Contl. Cas.	5	1.50*	41	42
Cont. N. Y.	2.50	2.00*	48	50
Fidelity-Phen.	2.50	2.20*	49	51
Fire Ass'n.	10	2.50*	70	72
Firemen's (N. J.) ..	5	...	13 1/2	15
Fireman's Fund ..	10	3.00	88	90
Franklin Fire	5	1.40*	29 1/2	31
Gen. Reinsur.	5	2.00	48 1/2	50
Glens Falls	5	1.60	43	45
Globe & Repub.	5	...	10	11
Gt. Amer. Fire	5	1.20*	29 1/2	30 1/2
Gt. Amer. Ind.	2	...	12 1/2	14
Hanover Fire	10	1.20	28	29 1/2
Hartford Fire	10	2.60*	97	100
Home (N. Y.)	5	1.60	32	34
Ins. Co. of N. A.	10	3.00*	84	86
Maryland Cas.	1	...	6	6 1/2
Mass. Bonding.	12.50	3.50	71	73
Mer. (N.Y.) Com.	5	2.00*	48	50
Natl. Cas.	10	1.00	23 1/2	25 1/2
Natl. Fire	10	2.00	61	63
Natl. Liberty	2	...	7 1/2	8 1/4
Natl. Un. Fire	20	5.00*	188	193
New Amst. Cas.	2	1.00	28	29
New Hamp.	10	1.80*	48	50
North River	2.50	1.00	24	25
Ohio Cas.	5	...	21	23
Phoenix, Conn.	10	3.00*	88	90
Preferred Accl.	5	1.00	15 1/2	16 1/2
Prov. Wash.	10	1.40*	37	39
St. Paul F. & M.	62.50	10.00*	305	310
Security, Conn.	10	1.40	38	40
Sprgfd. F. & M.	25	4.75*	128	132
Standard Accl.	10	2.50	65	67
Travelers	100	16.00	485	495
U. S. F. & G.	2	1.50*	38 1/2	40
U. S. Fire	4	2.00	50	52

*Includes extras.

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C. W. Hobbs Flays McCormack's Rate Making Theories

National Council Spokesman Blasts the Tennessee Commissioner

Although endorsing the proposal of Commissioner McCormack of Tennessee that a committee of commissioners meet periodically with the National Council on Compensation Insurance, C. W. Hobbs, in replying to Mr. McCormack's recent letter sharply criticizing operations of the National Council on Workmen's Compensation and rate making procedures in general, emphatically denied most of the Tennessee commissioner's allegations.

Mr. Hobbs, who is special representative of the commissioners' association in the National Council, particularly denied Mr. McCormack's charge that the decisions of the council are largely influenced by the insurance companies and that the public interest is not sufficiently respected. Mr. Hobbs contended that if Mr. McCormack's ideas should prevail there would be no national council and no private insurance and he said he would be "mildly surprised" if the commissioners' association followed Mr. McCormack's lead and wiped out at one full swoop its entire work and reverted to rate ideals that were current 20 years ago.

Mr. Hobbs said that he had recommended in 1923 and again in 1930 that a committee of the commissioners' association meet periodically with the National Council and hence he applauded Mr. McCormack's suggestion along this line. He expressed the belief that the National Council would welcome such a procedure. He said he would like an opportunity to discuss with the present commissioners' compensation committee various problems because at conventions, he said, it is difficult to get the committee together and obtain a sufficient time for consideration.

Reply Is Lengthy

Mr. Hobbs' reply consisted of a seven-page single space letter.

Mr. Hobbs said that he gathered that Mr. McCormack advocates a single set of rates with an expense loading predicated on the expense requirements of stock carriers; a profit loading—amount not stated; a contingency loading that works both ways; no loss constant; no expense constant; an experience rating plan balanced within itself; no interstate rating; prohibition of writing collateral lines at less than manual; either the rejection of the new rating plans or their revision so as to make the expense loading reductions shared equally between acquisition cost and other expense; a rate level about 18% inadequate.

Denies Concealed Profits

Mr. Hobbs then proceeded to take up each of these proposals. As to expense loading, he stated that the policy advocated by Mr. McCormack is now in force in several states and Mr. Hobbs expressed the belief that the law should be elastic enough so that differential treatment can be made where justice requires it. This seems to have been the view of the National Association of Insurance Commissioners in 1931, he stated.

(CONTINUED ON PAGE 30)

Employee-Salesman's Pay Restricted U. S. F. & G. Applies Prevention Idea to Dishonesty

Insurers May Be Compelled to Ask Exemption from Treasury Rule

Industrial life insurance companies whose agents are held to be employees, and fire and casualty companies and agencies employing solicitors on a commission basis, appear to face a serious problem under interpretations issued by the Treasury department Sept. 30 of a ruling that was made Sept. 4, placing restrictions upon the compensation that may be paid salesmen. The regulation does not restrict payments to independent contractors such as ordinary life insurance agents and local agents in the fire and casualty field but only salesmen-employees.

Prior to Sept. 4, in the Treasury regulations on salary stabilization there was a provision that special Treasury authorization was not needed for salesmen who were compensated on the basis of a fixed percentage of sales and that were getting more than \$200 per month if the percentage that they received were not increased. On Sept. 4, the Treasury department deleted this provision as to salesmen and on Sept. 30 interpreted the significance of that deletion. Under that interpretation, the salesman getting more than \$200 a month cannot be paid more during 1943 under a fixed percentage of sales than he was paid during the last fiscal year ending prior to Oct. 3, 1942. For insurance companies the last fiscal year means the year ending Dec. 31, 1941.

It is inconceivable that the Treasury would not grant exemption to insurance salesmen, as what they are selling is anti-inflationary in its effect, but even so, completion of the formalities to get the exemption will require a great deal of labor. If the Treasury should refuse to make an exception for insurance salesmen it would create a ridiculous situation, as there would be no financial inducement for an agent to keep going after he had earned as much this year as he had earned during the entire year of 1941. The regulation presumably was directed at leveling the incomes of salesmen of machinery and other products for which there is a great demand and a scarcity of supply and whose main job is to keep good customers happy against the day when it will again be a buyer's market. Yet the regulation was so drawn that it seems definitely to restrict payment to a large number of insurance producers who must still pound the pavements and exert just as much salesmanship as ever to sell something of which there is an unlimited supply and which captures the dangerous dollars about which the Treasury department is so concerned.

The executive committee of the Industrial Insurers Conference held a meeting at the Edgewater Beach Hotel in Chicago Monday on the question and it is understood that there will be other meetings in New York very shortly.

Much Confusion

There is at present much confusion as to the exact effect of the restriction upon compensation of salesmen. There have been some newspaper articles commenting upon the effect of the restriction upon real estate salesmen who are employed by realtors and these articles seem to have been rather confused. One point upon which there is confusion is the earnings bracket to which the restriction applies. Some have concluded that it affects only those making \$5,000 a year or more. However, for wage stabilization purposes the Treasury department has jurisdiction over those making \$5,000 a year and also those in

U. S. F. & G. has announced a preventive service designed to curb employee dishonesty, the personnel-protection plan. The company long has stressed the importance of safety engineering in preventing industrial accidents, and with the new plan the same principle is being applied to the fidelity bond field to prevent the employee dishonesty and loss of trained man power which results from dishonesty.

Indemnification for embezzlement is only half of the bonding problem, U. S. F. & G. points out. Among the features of the "honesty engineering" plan are a complete survey of insured's organization for possible "loss points," and tested messages to employees designed to improve their morale and strengthen their integrity.

Plan Thoroughly Tested

The personnel-protection plan was thoroughly tested before being offered to the public. A large packing company was suffering losses of thousands of dollars and large numbers of employees each year through dishonesty. The personnel-protection plan was introduced and within a short time losses were cut to a negligible amount. A western mercantile company was losing scores of employees each year because of dishonesty, but the U. S. F. & G. plan reduced them 83%. The company will feature the plan in its national advertising throughout the fall and early winter.

The company specialists who confer with insured employers in an effort to prevent dishonesty losses are designated as honesty engineers. From their experience in the claim department they have learned what conditions breed dishonesty losses and what precautions can be taken.

Phillips Originated Idea

Charles L. Phillips, executive vice-president of U. S. F. & G., is credited with having originated the idea. Since he is president of the Surety Association of America the program takes on unusual significance. U. S. F. & G. is concentrating on this service in its national and trade paper advertising for the balance of the year.

J. Dillard Hall, assistant agency director of U. S. F. & G. has returned to the home office from a four weeks trip during which he visited 11 branch offices throughout the middle west and coast. He is devoting his attention to promoting the personnel protection plan of U. S. F. & G.

executive, administrative or professional positions making over \$200 a month, if not represented by a labor union. Hence, it would seem that most insurance salesmen-employees in the \$200 a month and over bracket would be restricted. What appears to be an exception, however, is industrial life insurance agents that are represented by a union.

Should it not be possible for the insurance employers to gain exemption from the restriction, a great number of complications are foreseen. For instance, what happens to salesmen employees who were not working for their present employer in 1941? Then there would be complications if a company should bring out a new policy and establish a rate of commission upon it and contests might be affected in which bonuses were paid to qualifiers or a higher rate of commission were paid during the contest period.

It seems quite definite that the base period is the last fiscal year prior to Oct. 3, 1942. Some of the published comment on the question, however, has referred to the period as the last fiscal year prior to Oct. 3, 1943.

Excess Profits Tax Due to Hit Many Casualty Companies

Profitable 'Base Years' Have Largely Averted Levy Thus Far

NEW YORK—It looks as if quite a few casualty companies will be subject to the excess profits tax this year. Because of the provisions of the tax law it is entirely possible that some companies which make no greater profit than they did last year will have to pay an excess profits tax on 1943 income even though they did not on that of 1942.

Thus far the casualty companies have come out rather well on the excess profits tax as the base years were good ones. Though the companies have had good years since then they have been helped by the fact that the law permits them to carry forward any unexhausted credit and apply it to a year or years in which profits exceeded the average of the base years. For example if a company had an annual average net profit of \$1,000,000 for the base years and earned only \$600,000 in 1940, the first year during which the tax applied it would have \$400,000 of unexhausted credit. Then, if in 1941, it made \$1,200,000 profit it could apply the \$200,000 excess against its \$400,000 credit and still carry forward \$200,000 to the next year.

The trend in casualty profits has been upward and by now many companies have exhausted the credits which they may have accumulated during the earlier years of the excess profits tax. Thus, even though a company makes no greater profit this year than last, it may have to pay a 1943 excess profits tax because it no longer has any credit carried forward from years when it earned less than the base-year average.

The excess profits tax also has a retroactive feature applying to bad years which succeed good ones in which excess profits taxes were paid. If a company, for example, should have a bad 1944 and experience a loss it could offset the loss against the excess profits of an earlier year in which it paid a tax and to that extent obtain a tax readjustment.

Casualty companies have in general not had to contend with a falling off in unearned premium reserves which have the paradoxical effect of boosting a company's profits while it is losing business. Automobile business has fallen off but other lines, particularly workmen's compensation, have gone ahead.

Traffic Deaths Down 15% in Aug.

Traffic deaths in August declined 15% from the same month a year ago, according to the National Safety Council. The record this year was 1,960 deaths as compared with 2,310 in the previous year. The trend continues for the percentage reduction month to month to decline. In January of this year there was a percentage improvement of 44, February 35, March 30, April 28, May 24, June 27, July 20.

For the first eight months the traffic deaths this year totaled 13,740 as compared with 19,260 for the same period in 1942, a decline of 29%, and 24,271 for the parallel period in 1941.

Whirlwind Pace in Group Field

"Tough" Risks Are Buying Today—Employer Pay All Predominates

Group insurance continues to be placed at a whirlwind pace. The new risks these days are largely employers that have for years either been opposed to group insurance or have been non-committal. They are the ones that are known in the group business as "tough." Hotels have always been regarded as about the poorest prospect in the field for group insurance. They have such a large turnover of employees that hotel managements have felt that group insurance was not suitable for them but today hotels are receptive and some large lines have been placed.

About 70% of the new group insurance is on the employer pay all basis and much of the existing business that has been on a contributory plan, is being converted to employer pay all or the employers are taking additional amounts of group insurance and paying the entire premium on the new coverage.

Many of the new risks are taking all of the group coverages that are on the market—group life, hospital, surgical, accidental death and disability—and a number of the existing risks that carried life insurance only are adding the other lines.

The "tough" risks that are in the excess profits tax bracket are melted by the consideration that they are paying for the insurance with 10-cent dollars. They are willing to concede that at that price they are making a bargain investment in good will.

M. & C. Premiums Now to Exclude Overtime Factor

With the introduction Oct. 1 in a number of states of the elimination of overtime pay for determining workmen's compensation premiums, the companies generally are adopting the same procedure for manufacturers and contractors public liability and property damage coverage, which also is figured on a payroll basis. Some of the companies at first indicated that they would not discount overtime payroll in figuring M. & C. premiums, but they will likely do so now that the companies generally are following that course.

Companies felt that a decision as to M. & C. premiums had to be reached when the workmen's compensation change went into effect so that an additional audit would not have to be made later on.

Effective in Many States

The new procedure on workmen's compensation became effective Oct. 1 in Alabama, Arkansas, Connecticut, District of Columbia, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky (July 1), Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Nebraska, New Hampshire, New Jersey, New Mexico, Oklahoma, Rhode Island, South Dakota and Virginia. The new plan will mean more work in auditing payroll records for compensation policies because the overtime will have to be eliminated from the amount of payroll at standard rates of pay.

In Mississippi and monopolistic fund states except Washington, the National Council program applies for M. & C. In Delaware, Pennsylvania, and Texas, where wage factors have been introduced in the basic compensation rates to take care of overtime pay and in any other state where the National Council or a similar program is not adopted, the old computation method will be followed.

"Tell People" Best Way to Justify Insurance Setup

Addressing the Accident & Health Underwriters of Milwaukee at the annual meeting on "Insurance the American Way," James F. Ramey, executive vice-president and secretary of Washington National, declared that accident and health and life insurance, which he characterized as "human insurance," if the public is properly informed, can justify itself so thoroughly to the American people that they are not likely to discard it in favor of any governmentally operated plan.

He said that insurance men have learned as their first lesson to rely on the law of averages. "We know that you can not take an individual risk and establish therefrom rates, coverages, etc. We know that it takes hundreds of thousands of risks to establish a workable average. The same is true concerning any approach to the subject of profits, claims, dividends, commissions and all other factors included in the expenditure of the insurance dollar. Contrary to a belief in certain official quarters, there are only 100 cents in a dollar and no wizardry or starry-eyed theorist can extract another penny therefrom.

Public Entitled to Know

"It is not enough that the public should be satisfied with their policies, with the coverage and the rates and the service they receive through the agents and the home office. The public is entitled to know that the capital invested in this business is not exacting too heavy a toll and it is our job and your job to inform ourselves and relay this information to the public. The public will weigh the facts from this institutional approach and will not be influenced seriously by exceptional cases, realizing that exceptions simply prove the rule.

"It will be up to the proponents of compulsory state insurance to make themselves equally clear and convincing about the merits of their own schemes and the faults of the private enterprise system of insurance which they would displace."

Dividends Less Than Taxes

He said that one of the favorite criticisms concerns the alleged extravagant dividends paid by insurance companies. In that connection he presented figures to show that a much larger part of the premium dollar goes for taxes than for dividends, citing figures compiled by the National Bureau of Casualty & Surety Underwriters and those in the 1943 edition of the Argus Casualty Chart. He referred to a talk he had given before the Health & Accident Underwriters Conference in 1924, in which he spoke of the heavy burden of taxes, but declared that in comparison with present taxing authorities, those in that day were "pikers" as taxes on insurance dollars have more than doubled in the past two decades.

"I do not believe that the public can be easily convinced that insurance companies charged with responsibility of furnishing them the proper security have been derelict in this matter," he said. "They naturally ask the question and they are entitled to know what becomes of their premium dollar, and when they find that a much larger portion of it goes for taxes than for dividends to reimburse investors for the risk they take, that phase of the matter will resolve itself strongly in favor of insurance the American way."

These officers were elected: President, Gilbert A. Diehl, Business Men's Assurance; first vice-president, Stanley Olyniec, Washington National; second vice-president, Clifford C. Raisbeck, Great Northern Life; secretary-treasurer, Leo E. Packard, Loyal Protective Life, who was named for the sixth consecutive year.

New directors are A. L. Anderson, Massachusetts Protective; W. A. Kempf, Old Line Life; E. G. Malone, Time;

Biggest Sacrifice in \$1-5,000 Bracket

How Agent's Income Under New Compensation Plan Will Be Affected

The largest dollars and cents sacrifice on the part of agents in connection with the graded cost element of the new workmen's compensation program will come with those risks in the standard premium range \$1,000-\$5,000, it is generally believed. On risks in that bracket, the agents have in the past been by and large getting the full commission that is stated in the book and under the gradation plan they will receive less than they have been getting.

However, on the larger risk, in open states at least, the new gradation system will probably give agents on a whole at least as much commission as they have actually been getting in the past. And, indeed, on some of the jumbo lines, if the agent actually receives what he is supposed to get under the new program, he will be better off than he was under the scale that he has been accepting when equity rating has been invoked.

In the open states, the general feeling is that the new program will not represent much of a difference from past procedure. In those states retrospective rating plans have been tailor made for each individual risk. An analysis is made to determine what the actual cost of administering each risk may be and that is the factor that is used in determining the rate.

Since equity rating is still permissible in the open states it is assumed that a good many risks will continue to be handled on an individual basis with the new four plan program serving as the underlying pattern. It is assumed that the standard premium can be equity rated as well as other elements of the plan, such as the loss conversion factor.

F. & D. Is Now Writing Personal Comprehensive

Representatives of Fidelity & Deposit and American Bonding were informed this week by Vice-president Herbert L. Dunn of the companies' decision to add the comprehensive personal liability policy to the lines they now write.

Mr. Dunn explained that the companies had decided to enter this particular division of the liability field because the comprehensive personal liability policy constitutes a natural running mate for the new residence and outside theft form, of which coverage the two companies write a substantial volume.

Fidelity & Deposit now writes the personal property floater in Maryland and two or three other states, in addition to bonds, burglary and plate glass.

Musician Killed by Trolley, Widow Wins \$76,500 Award

NEW YORK—A verdict of \$76,500 in favor of the widow of a musician who died of injuries received when his automobile was hit by a city-owned trolley car was returned in supreme court in Brooklyn against the city of New York and Walter Mikrut, the trolley car motorman. The musician, Louis De Santis, was hit by the car Dec. 23, 1940.

Harry W. Melander, North American Life & Casualty; E. H. Mueller, Pacific Mutual; G. Verne Randall, Wisconsin National Life, and A. A. Veitenhaus, Dick & Reuteman agency. Mr. Veitenhaus has been acting president the past year since R. L. Paddock, Time, who was elected at the last annual meeting, entered service.

Insurance Aspects of Common, Contract Carriers Viewed

PHILADELPHIA—Harry P. Raymond, district director Bureau of Motor Carriers of the Interstate Commerce Commission, in a talk before the Casualty Underwriters Association of Philadelphia, discussed some of the insurance questions in the field of the common and contract carrier. He was introduced by President Walter E. Helm, Jr., who is resident vice-president of New Amsterdam Casualty.

Regarding renewals of permits, the I.C.C. expects the operator to be active in the motor carrier business. Complaints that he has ceased operations in certain localities without notice or cancellation of insurance is one way they have of discovering such action. In revoking a carrier's operating rights notice must be given to the carrier and an opportunity to resume operations within a stated period. The commission also has power to revoke the authority of the carrier if he does not comply with the art through carrying insufficient insurance or no longer being fit to operate.

War Time Stand on Leases

As to leases, Mr. Raymond stated "that for the duration or until further advised, the bureau will not object to authorized common and contract carriers utilizing in the performance of authorized transportation service the motor vehicles of other such carriers or of other persons, along with the services of drivers and helpers employed by the owners and serving in connection therewith, without the necessity of entering into formal lease or transferring such drivers and helpers to the operating carrier's payroll, provided that the name, address and certificate number of the authorized carrier is prominently displayed on both sides of the vehicle." When asked about a common carrier with headquarters in North Carolina and another with headquarters in Philadelphia, both authorized to operate between Philadelphia and points in North Carolina, the latter desiring to use the other's vehicle for transporting a load from Philadelphia to North Carolina, Mr. Raymond stated that such an arrangement would be satisfactory provided the leased use of the vehicle was in accordance with the procedure he had outlined. This would make the Philadelphia domiciled carrier the one responsible to the shipper and the public in general for the operation of the leased vehicle.

Questions pertaining to the application of social security, workmen's compensation, or fair labor standards act as they apply to drivers and helpers thus employed should be referred to the governmental agencies administering those requirements.

I.C.C. Requirements

The I.C.C. requires a statement of gross earnings. Class 1, operators or those with gross income of \$100,000 and over must file a detailed form of account quarterly and annually. This form will show revenue and expenditures, income, earnings and mileage. However, these figures do not include revenue which is received from interline traffic, except that portion for the carriers's haul, nor local pick-up and delivery operations. These are shown in a separate part of the form. Class 2 and 3 carriers report on a simple form their earnings and expenses.

The speaker stated that there have been cases of duplicate coverage wherein the I.C.C. has written either the insurance company or the assured and requested a statement as to which company was to carry the risk. By leaving this open, should the insured have a loss, it would be optional with him as long as he had duplicate coverage to select the company at risk.

New Treasury List of Approved Sureties Issued

Capacity of Most Companies Increased by Mid-Year Figures

WASHINGTON — The semi-annual Treasury Department schedule of acceptable surety companies and limits on bonds running to the federal government, always interesting to surety men, shows increases in limits for nearly all companies. Some of these increases are substantial. There are only five decreases and five others were unchanged. The acceptable limit is 10% of the net capital and surplus, so the list shows the sharp increases in surplus most companies have realized since the list was published in April of this year.

There are two newcomers to the list, Employers Mutual Liability of Wisconsin, which was licensed by the Treasury June 5, and Employers Mutual Casualty of Iowa, licensed July 1. No companies were removed.

Hartford Accident remains at the top of the list and Massachusetts Bonding climbed into the million dollar limit class. The companies on the list and their acceptable limits as of Oct., 1942, April, 1943 and October, 1943, are as follows:

	Oct., 1942	Apr., 1943	Oct., 1943
*Accl. & Cas.	\$ 225,000	\$ 250,000	\$ 250,000
Aetna Cas.	2,373,000	2,599,000	2,943,000
Amer. Bond	190,000	195,000	196,000
Amer. Cas.	132,000	152,000	180,000
Amer. Empl.	501,000	534,000	635,000
Amer. General.	166,000	161,000	206,000
Amer. G. & L.	263,000	262,000	270,000
Amer. Indem.	228,000	242,000	269,000
Amer. Motor.	200,000	200,000	200,000
Am. Mut. Liab.	923,000	1,000,000	1,115,000
Amer. Reins.	732,000	875,000	997,000
Amer. Surety	1,542,000	1,552,000	1,990,000
Assoc. Ind.	223,000	224,000	264,000
*Car & Gen.	121,000	140,000	163,000
*Cent. Surety	356,000	386,000	451,000
Century Indem.	468,000	478,000	520,000
Columbia Cas.	408,000	407,000	448,000
Comm. Cas.	242,000	301,000	405,000
Comm. Stand.	88,000	90,000	94,000
Cont. Cas.	1,301,900	1,365,000	1,388,000
Eagle Ind.	330,000	368,000	413,000
Empl. Cas. Tex.	115,000	144,000	154,000
*Emp. Liab.	1,553,000	1,552,000	1,771,000
Empl. Mut. Ia.	170,000
Empl. Mut. Wisc.	809,000
Empl. Reins.	733,000	827,000	967,000
Eureka Cas.	63,000	72,000	80,000
*Europ. Gen.	804,000	873,000	979,000
Excess	160,000	177,000	184,000
Fid. & Cas.	1,717,000	1,844,000	2,411,000
Fid. & Dep.	1,452,000	1,519,000	1,627,000
Fireman's Fund	413,000	455,000	539,000
Gen. Cas. Wash.	206,000	238,000	276,000
Gen. Reins.	718,000	803,000	955,000
Glens Falls	441,000	470,000	547,000
Globe Indem.	1,000,000	1,000,000	1,250,000
Gr. Amer.	685,000	791,000	973,000
*Guar. N. A.	158,000	161,000	166,000
Hartford Acc.	3,013,000	3,165,000	3,481,000
Home Indem.	331,000	340,000	437,000
Indem. N. A.	1,114,000	1,280,000	1,698,000
Internatl. Fid.	179,000	180,000	183,000
Kan. Bk. Sur.	57,000	55,000	58,000
Liberty Mut.	1,880,000	2,044,000	2,547,000
*London Guar.	653,000	656,000	680,000
Lond. & Lanc.	211,000	238,000	250,000
Lumb. Mut. Cas.	700,000	700,000	700,000
Maine Bond	61,000	62,000	64,000
Mftra. Cas.	405,000	409,000	450,000
Md. Cas.	1,850,000	2,103,000	2,263,000
Mass. Bond	786,000	880,000	1,041,000
Merch. Indem.	255,000	282,000	337,000
Mellon Ind.	429,000	485,000	562,000
Metro. Cas.	221,000	264,000	339,000
Natl. Auto	179,000	201,000	182,000
Natl. Cas.	200,000	225,000	225,000
Natl. Surety	1,353,000	1,510,000	1,907,000
New Am. Cas.	975,000	1,122,000	1,184,000
New Eng. Cas.	132,000	136,000	138,000
N. Y. Cas.	257,000	280,000	358,000
N. A. C. & S. Re.	255,000	255,000	257,000
Northw. Cas.	591,000	86,000	88,000
*Ocean Acc.	591,000	635,000	738,000
Ohio Cas.	367,000	397,000	399,000
Pac. Empl.	189,000	165,000	154,000
Pac. Ind.	520,000	558,000	653,000
Peerless	131,000	136,000	148,000
Phoenix Ind.	395,000	406,000	402,000
Preferred Acc.	309,000	314,000	306,000
Royal Ind.	1,331,000	1,527,000	1,702,000
St. Paul Mer.	591,000	613,000	685,000
Seaboard Sur.	402,000	441,000	525,000
Stand. Acc.	941,000	1,038,000	1,088,000
Stand. Sur.	196,000	229,000	253,000
Sun Ind.	292,000	306,000	306,000
Texas Ind.	45,000	48,000	52,000

Ill. Equity Rate Issue for Fleets Is Resolved

The National Bureau of Casualty & Surety Underwriters and the Illinois insurance department have reached agreement as to the timing of notices from the bureau to the department on the promulgation of equity rates for automobile fleets. C. M. Kinney, deputy of the Illinois department in charge of rating matters, had commanded automobile insurers to file such rates at least 15 days prior to renewal date or effective date if a new risk and also called for additional particulars in such filing.

A. E. Spottke, head of the automobile department of the National Bureau, held a meeting with Insurance Director Jones of Illinois and Mr. Kinney and it was agreed that hereafter the bureau shall send to the Illinois department particulars of automobile fleet rates on the same day that they are promulgated. It is not required, however, that this notice shall be given 15 days prior to the renewal date.

In the past the National Bureau has been sending each month the list of equity rates promulgated during that month giving name of the risk, whether private or commercial, and the rate. Now the notice shall include as well the number of cars in the fleet, occupation and date of expiration.

The non-bureau companies, according to Mr. Kinney, for some time have been keeping the department advised of equity rate promulgations on a current basis and hence the issue was entirely between the department and the National Bureau.

Points in Court Opinion in Maryland Casualty Case

Federal Judge Igoe in denying a Maryland Casualty motion to dismiss the suit of several stockholders in Chicago stated that while Maryland Casualty is a party, "the suit is essentially against the Reconstruction Finance Corporation."

The stockholders' suit charges that the RFC through its loans to Maryland Casualty and the exercise of certain options has established undue control over company and its operations, to the detriment of other stockholders.

The complaint, the court's opinion stated, is against one stockholder, RFC, "which has obtained control of the Maryland company. . . The defendants ask this court to renounce jurisdiction because difficulties may be encountered in executing a decree prescribing acts to be done by RFC. This court in exercising its discretion will certainly not assume that a corporation created by Congress will so conduct itself with reference to a decree of the national courts that the decree is futile unless backed up by supplemental orders directed against the officers of the corporation which RFC controls and the administrative officers of the state," the opinion states.

	Oct., 1942	Apr., 1943	Oct., 1943
Travelers Ind.	1,500,000	1,500,000	1,500,000
Trinity Uni.	225,000	242,000	301,000
United Pac.	169,000	190,000	207,000
U. S. Cas.	403,000	410,000	510,000
U. S. Guar.	1,054,000	1,101,000	1,244,000
U. S. F. & G.	2,030,000	2,038,000	2,373,000
Va. Sur.	36,000	38,000	38,000
West American.	81,000	85,000	85,000
West. Cas. & S.	128,000	129,000	164,000
*West Natl. Cas.	248,000	269,000	283,000
Western Sur.	83,000	84,000	89,000
Yorkshire	188,000	222,000	288,000

*Foreign companies authorized to do reinsurance business only.

†Formerly Occidental Indemnity.

At the opening meeting for the fall held by the Indianapolis Association of Insurance Women, Carl M. Steinbach, Hartford Steam Boiler, gave a talk on boiler and machinery insurance.

Confer Again on Truck Insurance Questions in Ill.

At the meeting the other day that was called by the Illinois state motor carrier division and that was attended by about 30 insurance company representatives and insurance department people, one of the suggestions that was advanced by one of the motor carrier division representatives was that on each truck there be lettered the name of the insurance company carrying the B. I. and P. D. insurance and the number of the policy. As can be imagined the insurance company people present rose out of their chairs and their hair stood on end at this suggestion. They pointed out that among other things, such a requirement would contribute most generously to the more abundant life on the part of ambulance chasers and it appears that the state will not press that proposal.

The motor carrier division desires to get more complete compliance with the financial responsibility aspects of the motor truck law of 1940. They seem to have no definite program for achieving that objective and they solicited the insurance people to give suggestions.

The matter was finally left to the so called automobile assigned risk committee of Illinois which had its first meeting with the motor carrier division Wednesday of this week. That committee consists of N. J. Perrin, American Automobile, chairman; Robert C. Mead, State Farm Mutual Automobile; W. R. Mengelberg, Lumbermen's Mutual Casualty; John F. Idler, Zurich, and George Casey, Motor Vehicle Casualty.

At the first meeting it was stated that an effort may be made to get the law changed at the next session of the legislature.

Miss Abbott Maryland Casualty Ass't Secretary

BALTIMORE—Miss Clementine Abbott has been appointed assistant secretary of Maryland Casualty. She will be manager of a newly-created licensing, subsidiary and corporate records department in the secretary's office.

Miss Abbott has spent her entire business career with Maryland since she joined the company in 1926 as a clerk in the insurance school. Later, she served for a period as a stenographer in the legal division. In 1937 she became secretary to the senior vice-president, a position held until a short time before her appointment in the secretary's office.

Commissioners A. & H. Meeting

The meeting of the subcommittee of the accident and health committee of the National Association of Insurance Commissioners of which Insurance Director Jones of Illinois is chairman was postponed from Tuesday of this week at the Edgewater Beach Hotel, Chicago, until Thursday morning at 9:30. This meeting will be held just prior to the session of the executive committee of the insurance commissioners meeting. Mr. Jones was engaged in a hearing and was not able to hold a meeting Tuesday.

Decide on Associated Fund Oct. 19

SAN FRANCISCO—A special meeting of the stockholders of Associated Insurance Fund, holding corporation for Associated Indemnity and Associated Fire & Marine, is being held Oct. 19 to consider the directors' recommendation that the organization be dissolved. The fund recently sold the two Associated companies to American Automobile.

L. H. Mueller, chairman of the two companies and president of the holding corporation, and L. S. Moorhead, president, are now in St. Louis in conference with the executives of American Automobile.

Ponders Effect of Rate War on Boiler Inspection Service

N. Y. Superintendent Questionnaires Insurers on Inspection Data

NEW YORK—The New York department has sent to boiler and machinery insurers operating in this state a questionnaire seeking complete statistical data on inspections. R. E. Dineen, the new superintendent, is particularly concerned over the possible effects of a rate war on the quality and frequency of inspections. He feels that while it is important that insurance should be sold at the lowest rates consistent with the financial soundness of the carriers there never was a time when production facilities were so urgently needed as at present and that no rate war should be allowed to affect boiler and machinery inspections. It is also in the interest of the public and the producers that insurance be kept as simple as is consistent with the requirements of the particular coverage involved.

The data which the New York department is seeking on boiler and machinery inspections is to be furnished on both a New York state and nationwide basis.

In stating his views on the importance of the inspection service, Mr. Dineen pointed out that a letup in inspections might result in important war plants being put out of service with perhaps many deaths and injuries.

Mr. Dineen made it clear that he is still studying the situation and has not made up his mind what the department's course should be. There will be no decision until the data requested in the questionnaire are all in and perhaps additional information as well, Mr. Dineen said.

New Peoria Manager

Victor P. Hartwell is the new manager of the Peoria branch of James S. Kemper & Co., replacing Elmer B. Abbott who has been transferred for special duties in Chicago. Mr. Hartwell has been in the insurance field 11 years and until recently was an insurance producer at Eau Claire, Wis. He was employed from 1925 to 1930 by the Ceco Steel & Wire Company at Peoria. He attended both Northwestern University and the University of Minnesota. Mr. Abbott has been with James S. Kemper & Company since 1937.

New A. & H. Conference Members

The executive committee of the Health & Accident Underwriters Conference met at the Edgewater Beach Hotel, Chicago, Monday. These companies were admitted to conference membership: American Mutual Liability, Boston; Liberty Life & Accident, Muskegon, Mich., and Woodmen Central Health, Lincoln, Neb.

The committee decided to hold the conference annual meeting in Chicago about June 1. Various other matters were discussed, including social security and the Wagner bill.

Hammond Heads Traffic Body

Harold F. Hammond, director of the traffic and transportation division of the National Conservation Bureau was elected president of the Institute of Traffic Engineers at the annual meeting in Chicago.

ACCIDENT

Continental Cas. Names Barry in N. Y.

The group A. & H. division of Continental Casualty has inaugurated expansion of its operations along the Atlantic seaboard with appointment of C. Paul Barry as its eastern manager in charge of sales and service at 80 John street, New York.

The appointment is preliminary to more extensive development of group business in eastern states.

Mr. Barry has spent 13 years in insurance, and joined Continental from John Hancock Mutual Life, with which company he specialized in group coverages for seven years, both as personal producer and manager.

Fotheringham Los Angeles Special

LeRoy S. Fotheringham has been appointed special agent of the group accident and health department of Ocean Accident and Columbia Casualty in Los Angeles. He formerly was active in the northwest, specializing in accident and health insurance.

Hold Seattle Annual Dinner

The Seattle Accident & Health Managers Club honored Lloyd A. Perkins, retiring president, and the incoming officers at its annual dinner. Fred C. Becker, Great-West Life, new president, announced that arrangements are being made for a joint meeting with the Seattle chamber of commerce to hear E. H. O'Connor, executive director of the Insurance Economics Society, Nov. 19.

W. L. Waltz, Seattle manager of Travelers, presented a desk pad to Mr. Perkins and extended good wishes for success in developing his new local agency. Dwight Mead, general agent of Pacific Mutual Life, presented Paul Wallace, Mr. Perkins' successor with that company.

H. O. Fishback, Jr., Northern Life, was master of ceremonies.

Woman A. & H. Special Agent

Massachusetts Bonding in its Chicago branch has put into the field a young woman special agent for accident and health lines. She is Lorraine Schinkoth, who has been connected with the accident and health department there four years. She is well posted on the technical aspects of the business and is enthusiastic in her work.

Economics Society Group Meets

The executive committee of the Insurance Economics Society held a meeting in Chicago in connection with the American Life Convention. President C. O. Pauley, secretary Great Northern Life; E. H. O'Connor, executive director, and Harold R. Gordon, managing director, reported. Plans are under consideration for expanding the society's program.

Insurance women of New Jersey at their first meeting of the fall in Newark heard an address on accident and health insurance by Harold M. George, A. & H. superintendent of United States Fidelity & Guaranty in New York.

Postal Life & Casualty of Kansas City has been licensed in Nebraska.

COMPENSATION

New Classifications and Rates Approved in Indiana

INDIANAPOLIS — Commissioner Viehmann has announced the adoption for Indiana of new compensation classifications and rates, effective Oct. 1. He has approved elimination of bonus overtime payroll from premium audit.

A new classification has been made

covering machine precision manufacturing and Indiana falls within the two groups under this classification, thereby materially reducing rates.

A special rating has been made effective and compensation insurance has been made available to farmers employing less than the minimum number of employees heretofore required to qualify. This permits the employment of casual labor and affords protection to the employer where less than the minimum number of employees under the old classification was necessary before such coverage could be secured.

Rate Cut of 9.3% in N. C.

RALEIGH, N. C.—A 9.3% reduction in workmen's compensation rates in North Carolina went into effect Oct. 1. Commissioner Hodges stated that, based on the volume of premiums in 1942, the reduction will approximate \$500,000.

Overtime Out in Minn.

ST. PAUL—Effective Oct. 1, overtime pay will not be included in computing compensation insurance premiums in Minnesota. To come under the new rule, employers must keep records showing wages paid within the standard work week, overtime and other data desired by the compensation board. The rule will apply only for the duration.

COMPANIES

Cont. Casualty Favorably Examined

Assets of Continental Casualty at Dec. 31, 1942, amounted to \$48,118,597, according to a report of an examination that was conducted by six zones of the National Association of Insurance Commissioners. Capital is \$2,500,000 and net surplus \$11,146,496. There is a general contingency reserve of \$1,999,340 which is greater by \$399,340 than the figure which the company reported.

Lincoln Mutual Dividend

Superintendent J. R. Crabbe of Ohio has announced payment of a second liquidating dividend of \$1,956 to policyholders and other creditors of Lincoln Mutual Indemnity, which is being liquidated by the department. It represents 12% on all allowed claims and brings the total dividends paid in to 72% or \$11,756.

PERSONALS

John J. Schwaninger of Newark has completed 43 years as a representative of Aetna Life. He started as a clerk in the life insurance department in Newark, later became cashier and then

Emmco Companies Host at Football Games

The Emmco companies of South Bend, Ind., are repeating a popular program which they started last year, of holding agents' parties for the major football games in the midwest. About 175 Ohio agents attended the Ohio State-Iowa Seahawks tilt Sept. 25, and about 200 Indiana agents the game Oct. 2 between Notre Dame and Georgia Tech. The companies expect 250 Michigan agents at the Michigan-Notre Dame game Oct. 9; 125 northern Illinois agents at the Illinois-Michigan game Oct. 30, and 125 Illinois agents at the Northwestern-Notre Dame game Nov. 13. Thomas F. Shortall, vice-president in charge of agencies, is handling these parties, assisted by H. C. Williams, vice-president and secretary.

superintendent of agents there. In 1923 he was appointed general agent for New Jersey, which position he was forced to relinquish on account of his health. Since 1926 he has represented the Aetna companies for all lines.

William B. Clarkson, casualty manager of Travelers in Newark, will complete 46 years of service with the company Oct. 16. He has been manager in Newark for 36 years.

Lawrence W. Zonsius of the Conkling, Price & Webb agency of Chicago and Mrs. Zonsius are spending 10 days visiting their son, Larry, who is in the army at Tyler, Tex.

The executive committee of the Association of Casualty & Surety Executives at its meeting Sept. 28, paid high tribute to the character, accomplishments and devotion to duty of the late Albert W. Whitney, pioneer in the accident prevention movement in the United States for more than 30 years, a leader in the advancement of that movement through the casualty insurance and surety business, and consulting director of the National Conservation Bureau, the association's accident prevention division.

Richard J. Hill, Jr., who has been elected chairman of the executive committee of the Avenue Hotel Corpora-

tion of Chicago, will be remembered as the former head of the bond department of Maryland Casualty in New York. He is now general manager for the S. A. Healy Construction Company. S. A. Healy is chairman of the board of the Avenue Hotel Corporation. That company is operating the Stevens Hotel which was bought from the army by Arnold S. Kirkeby.

Lester L. Burdick, head of the New England accident and health office of Commercial Casualty, Boston, has just returned to his home in Belmont after nearly two weeks in the Cambridge Hospital following an accident at his home. Mr. Burdick was picking pears from one of the trees on his place when he fell from a ladder. His injuries are severe and painful but not serious, and after another two weeks, he expects to be back at his office. Mr. Burdick is a past president of the Boston Association of Accident & Health Insurance Agents.

T. Robert Harrigan, manager of the accident and health department of the Howard A. Shearer agency of Columbian National Life in Boston, is observing this month his 30th anniversary with the company. For many years, Mr. Harrigan was a home office underwriter in the accident and health department.



Something New Has Been Added
TO INCREASE AGENTS' WARTIME SELLING



"FAMILY PROTECTION"
THEFT POLICY

In keeping with our constant effort to provide NEW and TIMELY fast-selling policies for our agents, we introduced our "Family Protection" Theft Policy early this year. After studying national reports as well as our own sales records we were convinced that wartime is always a time of increased thefts, robberies and vandalism by experienced burglars, amateur crooks and juveniles. We decided to really go after the growing "market" existing today for a simplified form, moderately priced, family policy offering protection against theft both on-and-off the premises. The result was this broadest form of family theft policy ever issued...and it is selling fast for our agents everywhere!

Capital, \$1,000,000.00



American Casualty Company

OF READING • PENNSYLVANIA

H. G. EVANS, President



CASUALTY • FIDELITY • SURETY



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AS DEFINED BY THE DICTIONARY:

*"Set above or before in estimation or favor;
regarded or honored before another; held in
greater favor; liked better."*

THE record of "PREFERRED" performance
for 58 years has made this a living definition.

Since 1885 The Preferred Accident Insurance Company has defended its policyholders against loss. Through good times, wars and depressions—it has always lived up to its slogan of "PROMPT PAYING PREFERRED"

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of policyholders and has cemented the mutually profitable relationship between the Company, its Agents and Brokers—a large majority of whom have been "Preferred Producers" for a long period of years.

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CHANGES IN CASUALTY FIELD

Welton Now Is Handling Chicago Work

Spencer Welton, vice-president of Massachusetts Bonding, has now assumed as his primary responsibility management of the Chicago branch. He will continue to engage in general supervisory work in the middle west but his main interest will be the Chicago operation. William C. Eaton, who was the



SPENCER WELTON

manager and who for many years prior to joining Massachusetts Bonding was one of the principal underwriters at the head office of Zurich, has withdrawn from the Massachusetts Bonding organization.

This is the third time that Mr. Welton has been in charge of the Chicago branch. On the previous occasions he served on an interim basis but it is now intended that this shall be a permanent assignment.

Kemper Companies Make Promotions

Lumbermen's Mutual Casualty and American Motorists of Chicago announce advancement of 10 administration heads. R. J. Dunn, second vice-president and head of the legal department in Boston, has been elected to the public relations post for American Motorists. He was appointed director of public relations for Lumbermen's Mutual last spring.

M. P. Euthy, a vice-president of Lumbermen's and manager of the New England department at Boston, is made a vice-president of American Motorists.

Advanced to vice-president of Lumbermen's in the spring, a corresponding advancement in the American Motorists is given to John A. Mills, actuary of the companies.

George C. Bonstelle, manager of the boiler department, was elected second vice-president of the American Motorists. He had received a similar advancement in Lumbermen's in the spring.

Other appointments announced are: J. M. Breen from assistant secretary to third vice-president of both Lumbermen's and American Motorists; C. J. N. Weber, Boston claim department manager and a third vice-president of Lumbermen's, elected third vice-president of American Motorists; K. C. Berry and R. C. McCulloch elected assistant secretaries of Lumbermen's and American Motorists; W. P. Moore, manager of the compensation underwriting depart-

ment in Chicago and an assistant secretary of Lumbermen's, elected assistant secretary of American Motorists.

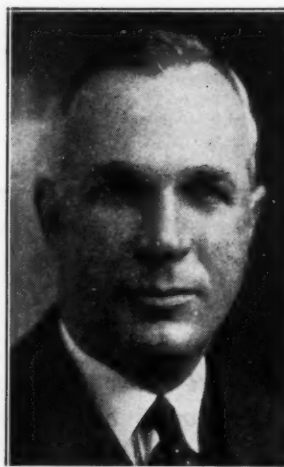
Buttery Returns from Navy Post to Employers Group

BOSTON—Howard J. Buttery, on leave of absence with the navy insurance department since May, 1942, is returning to Employers Liability as underwriter for all lines in the Manchester, N. H., office. Born in Brooklyn in 1914 and educated at Alfred and New York Universities, Mr. Buttery was with Fidelity & Casualty in Albany and Philadelphia until he went with Employers in 1939.

Johnson & Johnson Get Zurich Companies in S. C.

Johnson & Johnson of Charleston, S. C., well known general agents, have been appointed managers of the Zurich General Accident and American Guarantee & Liability for South Carolina. W. A. Stringfellow, a graduate of the University of North Carolina, is in charge

of the casualty department. He was a practicing attorney for a number of years before accepting employment with



S. LEWIS JOHNSON

the United States Casualty. Johnson & Johnson thus add casualty lines to their fire department.

S. Lewis Johnson, head of the firm,

is president of the American Association of Insurance General Agents.

Appointments Are Made in New York City Office

Bladen & Kiefer, New York managers of Century Indemnity and Standard Surety & Casualty, have appointed John J. Harkins, Harry E. Scanlan and Franklin J. Strauss managers of the fidelity and surety department.

Mr. Harkins has been manager of the bonding department of Century Indemnity since 1929 and has had charge of the bonding department of Standard Surety & Casualty since that company was purchased by Aetna Fire in 1940.

Mr. Scanlan and Mr. Strauss have been bonding agents of Century since 1934. They are giving up that representation and retiring from the agency business which they have maintained for several years in Brooklyn to devote their entire time to their new appointment.

Pacific Employers in Nashville

NASHVILLE, TENN.—Pacific Employers of Los Angeles has opened a Nashville branch office with Charles Diehl in charge as vice-president in charge of the southeastern division. Mr.

By-product of every boom



The increase in crime that always attends a boom makes merchants and householders in war-industry communities excellent prospects for burglary and robbery insurance.

And when you sell Standard protection you have exactly what this big field requires—a wide range of policies for adequate coverage of each store, office, safe deposit box, safe,

messenger, payroll and residence, and backed by one of America's oldest and largest casualty and bonding organizations.

Moreover, Standard of Detroit provides timely production aids of proven effectiveness to help you sell your many prospects. Write to the home office or ask a Standard field man about the broad scope of this wartime service.

STANDARD ACCIDENT INSURANCE COMPANY

Standard Service Satisfies... Since 1884

PROTECTIVE INDEMNITY COMPANY
A NAME IDENTIFIED WITH EFFICIENT SERVICE AND PROMPT CLAIM PAYMENTS



**PROTECTIVE
INDEMNITY COMPANY**

80 MAIDEN LANE, NEW YORK • EDWIN B. ACKERMAN, PRESIDENT

Diehl has been in the insurance business since 1926, and until Oct. 1 had been resident vice-president of American Casualty for Tennessee and Kentucky. He had been with that company seven years. Offices will be 537 Third National Bank building.

Henderson to Markel Service

Brent Henderson, who has been with Pacific Indemnity, has resigned to become claims manager of Markel Service in Los Angeles.

Dow Named in Buffalo

Hartford Accident has appointed A. Y. Dow manager of its Buffalo, N. Y., office. Mr. Dow has been associated with the Hartford since May, 1930. He first served as special agent in Kentucky and later in central New York state. For the past three years he has been in charge of Hartford's service office in Detroit.

Schermerhorn with All Risks, Inc.

L. F. Hawley, vice-president of All Risks, Inc., of Chicago, announces the appointment of William Schermerhorn as vice-president in charge of underwriting. All Risks, Inc., is underwriting agents of Lloyds of London and specializes in excess and unusual covers.

Mr. Schermerhorn was formerly with Manufacturers Casualty, in charge of the reinsurance and excess casualty departments. Prior to that he was associated with Excess in both its New York and Chicago offices.

David Goes with Zurich

George David, who has recently been with American Casualty in Chicago and previously was with Massachusetts Bonding there, is going with Zurich at the head office as assistant to John Idler, supervising underwriter.

Beem Washington Manager

Warren C. Beem has been appointed manager in Washington, D. C., for the Kemper companies.

Following his service in the first war, Mr. Beem was in the insurance business in Indianapolis for 15 years and then joined Illinois Manufacturers Mutual Casualty at the time that company was reinsured with Lumbermen's Mutual Casualty. Later he joined the staff of James S. Kemper & Co. of Chicago.

In May, 1942, Mr. Beem resigned as vice-president of James S. Kemper & Co. to become manager of Mutual Insurance Agency of Washington, D. C., at a time when it was in financial difficulty. The Mutual Insurance Agency now has been turned back to the stockholders and Mr. Beem is retiring as president and general manager.

Produce for Lew H. Webb on Eve of 50-Year Mark

The Conkling, Price & Webb agency of Chicago has launched a business production campaign to end Nov. 16, which is the 50th anniversary of the agency and of the association with the organization of Lew H. Webb. Golden anniversary applications have been prepared and an especial effort is being made to get for Mr. Webb a very representative volume of anniversary applications from the friends that he has made during the years.

Raymond T. Gifford, investment adviser of Massachusetts Protective, has been elected treasurer of the board of trustees of Clark University, Worcester, Mass.

AVAILABLE

Married man, university law degree, some legal experience. Ten years insurance experience (not in sales), thorough knowledge of casualty coverages, desires to make a new connection. Prefer Southwest because of family health situation. Will consider position with future and responsibility. Address replies to T-23, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

SURETY

Improvement in Commission Scale Is Rumored

Although there has been no official announcement, it is understood that the surety companies have consented to allow a considerably improved rate of commission to producers in connection with war and navy department contract bonds. The services, it is understood, have come to appreciate that the producers are put to considerable expense in handling this business, particularly if they proceed in a conscientious way. They are said to be particularly sympathetic with the problem of the smaller producer. There have been some who were advocating that the surety companies pay an expense allowance to producers and general agents in connection with bonds that were particularly costly to handle. That proposal, however, was put aside in favor of a uniform increase in commission scale.

From the dollars and cents standpoint, this improvement will probably not be important because most of the new construction work for the army and navy has been completed but it will give relief to the producers on whatever new business there may be and it is also earnest of assurances that have been given that there is no intention to perpetuate war time emergency commission scales in the future.

Fill Two Vacancies in Minnesota Association

The September meeting of the Surety Association of Minnesota at Minneapolis consisted of a business session and farewell party for two members.

David C. Carlson of Hartford Accident, president of the association, has been assigned to the U. S. naval training station, Farragut, Idaho.

Charles A. Perkins, U. S. F. & G., treasurer, has been transferred to Philadelphia as bond superintendent.

Appropriate gifts were presented to both by the association.

David Templeton, Aetna Casualty, was elected treasurer. He has been a member of the executive committee. Ben F. Gates, Hartford Accident, was elected a member of the executive committee.

W. Max Creer, American Surety, vice-president of the association, will carry on the duties of President Carlson for the balance of the year.

Anderson to Philadelphia as Assistant Bond Head

Fred B. Anderson, for four years special agent of Aetna Casualty in Chicago and northern Illinois, specializing on bonding business, has been transferred to Philadelphia as assistant superintendent of the fidelity and surety department there. He succeeds A. H. Bent, who has been commissioned a lieutenant (j.g.) in the navy. Mr. Anderson will be associated with Manager T. A. Engstrom and with J. D. Latham, bonding superintendent. He spent four years at the home office of the Aetna Casualty as a bond underwriter before going to Chicago.

Egan Milwaukee Vice-president

MILWAUKEE—Thomas G. Egan, superintendent surety department of U. S. F. & G., has been named vice-president of the Surety Underwriters Association of Milwaukee, succeeding Henry S. Gessler, Employers Liability and American Employers, who has been transferred from the local office to Philadelphia.

Sell disability with "Seven Good Reasons Why" folder. Get samples from The A. & H. Bulletins, 420 E. 4th St., Cincinnati 2, Ohio.



TO INSURE AND RE-INSURE VICTORY

*Buy
War
Bonds*

MANUFACTURERS

Casualty Insurance Company • Fire Insurance Company

PHILADELPHIA

Dependable Insurance
Service

plus

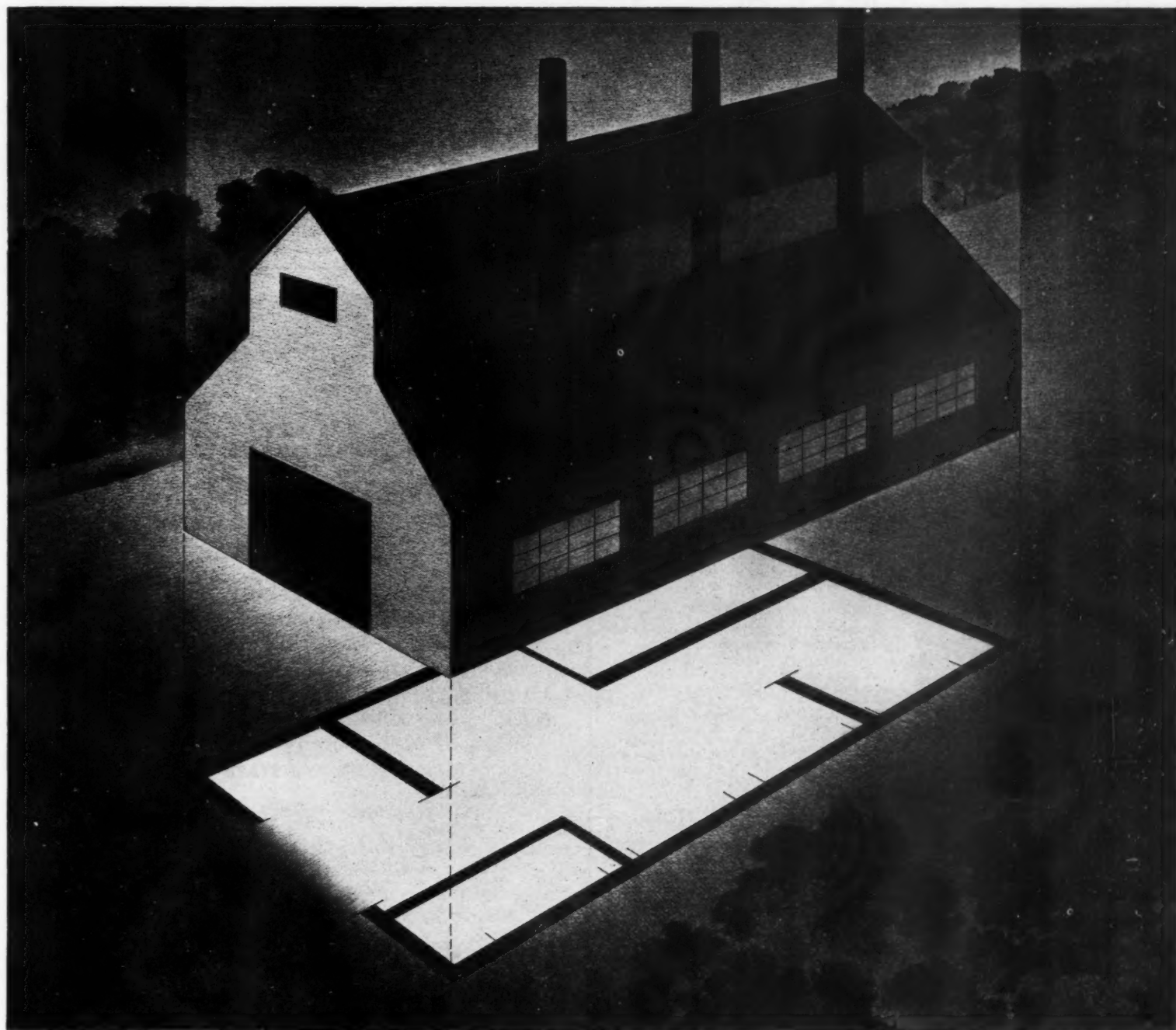
Aggressive Selling
Assistance

A multiple-line stock casualty company which offers financial strength—prompt claim service—up-to-the-minute sales and advertising aids—standard policies. It will pay you to investigate The Buckeye Union, an aggressive company for aggressive agents. Writing Automobile, Plate Glass, Burglary and Public Liability.

A Stock
Company

The
Buckeye Union
Casualty Co.
HOME OFFICE
Columbus, Ohio

Territory in
Ohio and
Indiana



Your job is important to victory

America is busier than ever before. Victory is being forged by industry from Maine to California. Production demands speed, speed and more speed.

Industry's executives are busy, and when men are pressed for time, they grow careless of details, such important details, for example, as insuring plant extensions, new machinery, increased inventories and higher replacement costs.

Reminding industry of this need, a need quite as vital in our economy as capital, management or labor, is your job. It's a big job, involving the careful analysis of clients' wartime needs.

Remember that fire doesn't fight on our side and that unsecured loss can cause greater sabotage than the enemy can inflict, sabotage which it is your job to prevent.

AUTOMOBILE INSURANCE COMPANY

STANDARD FIRE INSURANCE COMPANY

Hartford, Connecticut

AFFILIATED WITH AETNA LIFE INSURANCE COMPANY, AETNA CASUALTY AND SURETY COMPANY

Fire Prevention Week Widely Observed

(CONTINUED FROM PAGE 1)

steady, alarming increase in industrial losses since the outbreak of war, due to the tremendous increase in the value of goods produced, speeded up production, use of untrained workers without safety and fire protection knowledge, erection of buildings of huge area and of inferior construction and often with inadequate fire protection facilities, he said. Perhaps the underlying reason for most of the industrial fires is the "take a chance" philosophy that war seems to engender. Mr. Bugbee said he had predicted before and predicts again that there are many situations in the United States where a fire could destroy enough war goods to affect the length of the war. Such a fire or fires can happen; they are overdue, he said.

Mr. Bugbee commended the great increase in the number of organized fire brigades in industrial plants throughout the country. This development will prove of permanent value after the war.

WISCONSIN GOVERNOR'S MESSAGE

MADISON, WIS.—Fire is a friend of the enemy to an appalling degree, Acting Governor Goodland of Wisconsin declared in his Fire Prevention Week proclamation. "If we are to insure an early victory we must control fire, the ever present national menace", Mr. Goodland declared.

CINCINNATI ACTIVITIES

CINCINNATI — Fire Prevention Week was launched with one of the largest luncheon meetings assembled for that occasion here when Maj. Gen. Ulysses S. Grant III, assistant director civilian defense, spoke. Every week should become a fire prevention week, he said, for every uncontrolled fire on the home front affects the war front. The enemies in the guise of fire can strike blows on the home front comparable to defeats on the firing line. Most manufacturing plant fires are preventable. Disasters frequently result from lack of education of what is preventable, he commented. Prevention of all industrial fires must be the goal. General Grant recommended three basic rules to be observed for fire prevention. First, everyone in a plant should know where emergency fire fighting equipment is located and how to operate it quickly and efficiently. Second, summon fire department immediately when fire is discovered, then use equipment at hand to fight the fire. Third, observe the safety rules laid down by the plant management.

West Shell, chairman Chamber of Commerce fire prevention committee, presided. He also addressed the Cincinnati Credit Men's Association at its fire prevention meeting this week.

The corps of speakers provided by the Cincinnati Fire Underwriters Association addressed various civic meetings during the week. These speakers

stressed that fires are more frequent in war time than in peace time. All-out war production creates new fire hazards.

KANSAS THOROUGHLY ORGANIZED

WICHITA — The Fire Prevention Week activities are being conducted in nearly 100 cities in Kansas by members of the Kansas Fire Prevention Association working under the direction of W. H. Jones, Automobile, and Ivan Hemphill, Hussey General Agency. Secretary V. E. Herbert and President Ray H. Priest are giving general assistance.

INSPECT INDUSTRIAL PLANTS

RICHMOND—Preliminary to National Fire Prevention Week, the Richmond fire prevention committee headed by Marshall C. Speight, Globe & Rutgers and president of the Stock Fire Field Club of Virginia, inspected industrial plants. The committee was named recently by W. Owen Wilson, president Richmond Chamber of Commerce. Its purpose is to cooperate with plant managements to remove fire hazards which might cause loss of life and property.

OCASEK SPEAKS IN DAYTON

DAYTON, O.—T. J. Ocasek, Underwriters Service Association, Columbus, spoke to the Dayton Association of Insurance Agents on the part companies and field forces are playing in winning the war through improved fire prevention efforts. He outlined the mutual aid program now under way in Ohio for the exchange of fire-fighting forces and equipment between cities and villages during conflagration emergencies.

GOV. GREEN ISSUES PROCLAMATION

SPRINGFIELD, ILL.—In his Fire Prevention Week proclamation, Governor Green of Illinois reported 15,440 fires during the year ending June 30, the fire loss in the downstate area alone exceeding \$14,000,000. "Fire losses in time of war are not simply a matter of figures," Governor Green pointed out. "The salient fact is that fires, 90% of which were preventable, have wiped out an important amount of warehouses, grain and foodstuffs, mills, seed houses, distilleries, oil tanks and oil producing equipment, railroad cars, factories, homes, business houses and other properties just as effectively as though they had been set in flames by enemy bombs. In dwellings alone 5,386 fires were reported, with a loss of more than \$3,000,000. Every effort must be made to prevent further needless waste of life and

property as a necessary contribution to victory."

State Fire Marshal John B. Craig issued a Fire Prevention Week questionnaire calling attention to home fire prevention measures.

NEW FIREFIGHTER ORGANIZATION

MEMPHIS, TENN.—In connection with the observance of Fire Prevention Week the Memphis Junior Chamber of Commerce is sponsoring the organization of "Roadside Firefighters," pledged to stop and extinguish grass or trash fire observed along streets or highways. Fire Chief Connie O'Sullivan warned that a most serious fire season is at

hand and that the failure to keep grass and other vegetation cut down due to labor shortage is certain to increase the number of fires. He stated that 20% of grass fires in Memphis cause fires to buildings.

STRONG PROGRAM IN CHATTANOOGA

CHATTANOOGA, TENN.—Led by Walter Greenspan, local agent, as program chairman, the Chattanooga Insurance Exchange in cooperation with other organizations staged a strong Fire Prevention Week program. George Van Arsdale, Tennessee Inspection Bureau, spoke on "Relationship of Fire Hazards and Fire Insurance Rates" and



**"NOBODY'S
GOING
TO SUE
ME"**

**THAT'S WHAT THEY ALL SAY
WHEN TOLD ABOUT THE DANGERS OF THE SO-CALLED
"DRAM SHOP" LAW**

**NOTE THE RECORD OF SUITS
AGAINST OWNERS OF BUILDINGS IN WHICH LIQUOR IS
SERVED, AND ALSO THE TAVERN KEEPER SINCE THIS DRASTIC
LAW BECAME EFFECTIVE—YEAR 1934**

SUITS FILED IN THE STATE OF ILLINOIS	
\$100,000 or Over.....	More than 50
50,000 or Over.....	More than 150
25,000 or Over.....	More than 175
10,000 or Over.....	More than 250
Less than \$10,000.....	More than 150

**IT IS SOMETHING TO WORRY ABOUT.
INSURANCE IS THE ONLY PROTECTION.
FOR BEST TERMS ADDRESS**

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Home Office
Near the Falls of Minnehaha
On the Mississippi River



ANCHOR CASUALTY COMPANY

SAINT PAUL
MINNESOTA

FINANCIAL STATEMENT AS OF DECEMBER 31, 1942

ASSETS		LIABILITIES	
Stocks and Bonds.....	\$2,402,570.80	Reserves for:	
Bonds*	\$1,784,674.80	Claims	\$1,092,467.49
Stocks	617,896.00	Unearned	
F. H. A. Mortgages.....	193,515.84	Premiums	879,304.26
Cash in Banks and Office.....	340,074.47	Commissions ...	60,551.43
Premiums in Course of Collec-		Tax Reserve	160,000.00
tion (Not over 90 days).....	326,333.24	Other Liabilities..	37,893.18
Accrued Interest and Miscellane-			\$2,230,216.36
ous Funds	21,162.44	Contingent Reserve. \$153,440.43	
		Capital	400,000.00
		Surplus	500,000.00
		Surplus to Policyholders.....	1,053,440.43
		TOTAL	\$3,283,656.79
TOTAL ADMITTED ASSETS. \$3,283,656.79			

*Bonds are carried at Amortized Values. If they were carried at Market Values the Surplus to Policyholders would be \$1,117,951.63—Stocks are carried at Market.

WANTED

Compensation and Liability Underwriter. This is not a duration only job. If you believe you have ability to handle a better job than you now have, you should answer this ad at once. An opportunity in Home Office of a large middlewest casualty company where ability counts. Inquiries held confidential. Address T-29, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

WANTED UNDERWRITER

Stock Casualty Company located in the Middlewest has opening for assistant casualty and surety underwriter. Excellent opportunity. Give draft status. Our employees know of this opening. Address T-30, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.



Fire Marshal Homer Elkins on "Fire Department Inspection of Industrial Plants."

Colorado Agents Hold Annual Convention

(CONTINUED FROM PAGE 1)

that underwriting year runs off or until the last claim is settled, whichever occurs last.

Mr. Brandt said that there is no truth in the newspaper reports regarding so called "gambling policies" supposedly issued by Lloyds. The anti-gambling laws of England as respects insurance companies and Lloyds are far more strict than those in the United States. The rumors probably originated from the fact that Lloyds have invented and promulgated more new forms of insurance than all the other insurance concerns in the world combined. He explained why, since each underwriter at Lloyds acts as a separate insurance company might in the United States, it would be impossible for Lloyds to meet the requirements of the states with respect to capital and surplus, since each underwriter would have to meet those requirements.

He suggested that Colorado would benefit from passage of a surplus line law.

Mr. Brandt was asked a number of questions regarding Lloyds and the "California Plan" which is in effect in California, Oregon, Washington and Utah to govern surplus lines.

Commissioner Kavanaugh of Colorado addressed the association briefly in behalf of the enactment of Bailey-Van Nuys bills in Congress.

Retiring President Koster did a good job of presiding over all the convention sessions.

Missouri Agents Annual Parley

(CONTINUED FROM PAGE 3)

a summary of it sent to interested persons a month before the legislature convenes.

Mr. Gambrel also served as chairman of the resolutions committee. One of the memorials that was adopted urged the N.A.I.A. to create a separate surety



BASIL U. SPARLIN

committee rather than having a single committee charged with responsibility for both casualty and surety matters. Another resolution approved the bills in Congress to exempt insurance from the federal anti-trust laws.

Qualification Idea Stressed

Leslie E. Bright of St. Louis reported for the nominating committee. George D. Clayton, Jr., of Hannibal in accepting the presidency, stated that Missouri has qualifying provisions for every profession in the state except for

those engaged as agents or brokers doing an insurance business.

The Geo. D. Clayton & Sons agency at Hannibal was founded May 7, 1883 by the late Geo. D. Clayton who at that time purchased the agency from Judge J. P. Richards by whom he had been employed. In 1909 Robert M. Clayton entered the firm and the office was known as Geo. D. Clayton & Son until 1924 when Geo. D. Clayton, Jr. became a member of the firm and thereafter was known as Geo. D. Clayton & Sons. Geo. D. Clayton died in May, 1932. Since then the firm has continued as Geo. D. Clayton & Sons.

Geo. D. Clayton, Jr. is 45. He served in the former war, volunteering in his freshman year at the Missouri School of Mines and emerging as a pursuit pilot with the grade of second lieutenant. He served two terms in the Missouri state senate from 1932 to 1940. He is vice-president and assistant secretary of Geo. D. Clayton Building & Loan Association, is president of the Hannibal Chamber of Commerce and is a delegate from the 13th Senatorial District to the State Constitutional Convention now in session at Jefferson City. He is also a trustee of Service Center sponsored by American Legion.

Illinois Chamber Slate for Directors Issued

The nominating committee of the directors of the Illinois chamber of commerce has presented its recommendations for district directors. In District No. 5 are two insurance men, G. R. Kendall of Evanston, president Washington National, and S. E. Moisant, local agent at Kankakee. In District No. 6, Chase M. Smith of Chicago, general counsel Lumbermen's Mutual Casualty, is nominated. Election will be Oct. 8 in the Hotel LaSalle, Chicago.

"Unforeseen events... need not change and shape the course of man's affairs"



HOW MUCH DOES HONESTY COST?

ONE of these men will go to work for you for \$2,000 a year. The other will take the same job at \$2,010—ten dollars more.

These men are pretty much alike. But there is one big difference between them. The honesty of the man who costs you \$10 more a year is *guaranteed*.

Which man would you hire? The question hardly needs asking.

You can *always* get a man with *guaranteed* honesty for very little extra money. You do it through fidelity bonding.

Harried management, in these days of man-power turnover, is looking to companies like The Maryland for dishonesty insurance.

The Maryland assumes the responsibility for investigating the records of new employees—guarantees their honesty with respect to your money or your materials. And the employees who are fidelity bonded enjoy a mark of approval of which they may well be proud.

The Maryland issues fidelity bonds in many forms. Ask your agent or broker. Maryland Casualty Company, Baltimore.

Maryland advertising commands attention—and helps Maryland agents and brokers command it, too.

It appears regularly in

TIME • NEWSWEEK • U. S. NEWS
BUSINESS WEEK

THE MARYLAND

Practically every form of Casualty Insurance and Surety Bond, for business, industry and the home, through 10,000 agents and brokers.

Large Turnout at First Insurance Day

(CONTINUED FROM PAGE 1)

satisfactory and every insurance man hopes that the system of state supervision and rating by states will be continued.

In Cook county, Mr. Skaer said, there are two minimum tariffs, familiar to all producers, one for dwellings, apartments, household furniture and other property in the same class and the other for store buildings. All other risks are rated by the analytic or Dean Schedule, which involves four factors, protection, construction, occupancy and exposure. Risks are inspected by trained inspectors and each inspection is checked by a competent engineer. The Cook County Inspection Bureau has a staff of able consultants who devote their time to analyzing rate makeup and know, not only the technical features of the construction and fire rating, but also the conditions of insurance policies and forms. Mr. Skaer urged every member to get acquainted with the staff of the inspection bureau and to consult it on any problems of fire rating or fire prevention.

PROPERTY VALUES

In his talk entitled, "How Much Insurance Should I Carry on my Property Today?" Mr. Beatty described the reactions and experiences of an imaginary person who owns a manufacturing business and is director of a department store. The term "actual cash value" baffles him and he is further bewildered by getting different definitions from a lawyer, real estate man, accountant and banker. Mr. Beatty said that from an insurance viewpoint the proper definition of "actual cash value" is replacement cost less depreciation. He admitted that depreciation is a most difficult proposition, but said that the question in the event of a loss can always be settled by reasonable men and that most insurance adjusters come very close in their ideas.

Mr. Beatty's hypothetical assured then began to check his values at home. He found that his residence, erected seven years ago, has gone up about 47% in replacement cost. He took an inventory of his personal effects and, allowing a fair value for each, found they were worth about twice as much as he expected. At his manufacturing plant, he discovered that obsolete machinery and a large number of tools and dies had been completely charged off the books and their values were not shown anywhere. Nevertheless, they are still being used and would represent a serious loss if they were destroyed. The appraisal of his plant did not reflect present day conditions and his inventories were not accurate for insurance purposes, as they did not show actual cash value.

Inventory Shortcomings

In the department store of which he is a director, Mr. Beatty's assured discovered that there was no provision at all for insuring the values of furniture and fixtures. As often happens, the only entries were for the original purchase, when these furniture and fixtures were capitalized and now they have been almost wiped out by book depreciation. Merchandise is covered under a report-

ing form, but the inventory methods do not show the actual value and the store will be severely penalized under the full reporting clause if it has a loss.

Asked whether a building 15 years old may now be worth more than when it was built, Mr. Beatty said that this is entirely possible, because of the rise in building costs, if the building has been properly maintained. In answer to another question, Mr. Beatty said that obsolescence is a highly valuable factor and is often interchangeable with functional depreciation. He pointed out that an insured may be using a building built for a different purpose and that some features of the building, perhaps constructed at considerable expense, may actually be a liability to the assured and would not be replaced if the building should be completely destroyed and rebuilt. However, there is always the possibility that someone else might buy that building for its original purpose and hence the question of obsolescence must be considered as a strictly individual matter.

Mr. Burkes conveyed the greetings of Director Paul F. Jones, who was unable to attend. He said the insurance department is trying to do the best job possible and asked insurance men to become familiar with its work, as an insurance department, like a government, is as good or as bad as the people want it to be. He assailed federal government attempts to assume supervision over or to invade the insurance business, particularly the "cradle to grave" social security plans. These schemes, he said, are merely an attempt to induce the public to exchange liberty for security, and that was precisely what Hitler sold to the German people and the Japanese war lords to their people.

PANEL DISCUSSION

Mr. Burns started off the panel discussion by listing the topics in which members of the public are most interested because of current conditions. These included rent insurance, additional living expense, extended coverage, use and occupancy, the actual cash value automobile policy, power plant, workmen's compensation, because of recent changes, and the personal property floater, which he called the greatest friendship builder in the business. He also said there is an entirely new market for household furniture insurance and told of a factory foreman asking him over the telephone how a person went about getting this insurance. Mr. Burns also said that in his opinion war damage insurance was a wonderful stimulant to the sale of extended coverage.

Mr. Smillie explained rent, rental value and additional living expense insurance, showing that the recent Curtis Publishing Company survey indicated that 49% of those queried owned their homes. Of this group, 98% carried fire insurance, 53% extended coverage, but only 2% rent insurance. He outlined the expenses which a person suffers when his property is untenable because of a fire and explained the priorities exclusion and assumption clauses and suggested that the latter coverage always

be urged because of the danger of delays in rebuilding because of government orders.

In answer to a question, Mr. Smillie said that the rent a person might pay for temporary quarters has no bearing on his recovery under a rent policy, which is concerned only with the rental value of the assured's dwelling. Mr. Burns said he has often sold rent insurance by suggesting to a person carrying \$15,000 fire insurance on his dwelling that the odds are strongly against his having a loss severe enough for him to collect the last \$1,000, so he might as well reduce the dwelling insurance to \$14,000 and carry \$1,000 rent insurance. He will still have as much total insurance and will collect as much in case of a total loss. Almost invariably, Mr. Burns said, the assured keeps the full amount of dwelling insurance, but also buys rent insurance.

Mr. Wood explained the extended coverage endorsement, pointing out a number of features in the form and urging everyone to study it carefully. The discussion brought out the bridging the gap feature, covering fire loss if the building falls as a result of wind-storm, aircraft crash or other insured hazard, and this was urged as an argument for carrying it on contents as well as on building insurance.

U. & O. Sales

Mr. Ellis urged every insurance man to become familiar enough with use and occupancy insurance to be able to discuss it intelligently with a client and to call in a company representative to close a sale. He told of a recent case in which a mercantile building could normally have been rebuilt in 30 days but which took seven months to straighten out all government requirements and finally close. Despite the doubling of rates for the priorities assumption clause, Mr. Ellis said that the use and occupancy rate is still lower than the contents rate for most manufacturing risks and for nearly all mercantiles. He urged agents and brokers to offer this coverage to small stores, pointing out their need under current conditions and making them take the responsibility of refusing.

In the discussion, it was brought out that most use and losses are running very much more than property damage losses. Answering another question, Mr. Ellis said that he knew of no cases in which the government has finally refused to allow use and occupancy premiums as a proper expense in contract renegotiation.

Use of Coinsurance Clause

Mr. Laadt said that use of the coinsurance clause with dwellings is becoming increasingly popular, due to the 20% rate credit in Cook county. He explained the dangers of non-concurrence and said he thinks many mortgage houses are mistaken in permitting inadequate insurance to value, although equal to the indebtedness, because a severe fire may leave the mortgagor insolvent and the mortgagee faced with additional expenses to make the premises tenable and salable. After his remarks, there was considerable discussion on property values and Mr. Laadt emphasized that an appraisal by a reliable appraisal company is the only sure guide.

Mr. Fetzer said that the great pro-

portion of uninsured household goods in the middle and lower income brackets is a serious challenge to the insurance business, apart from the financial loss to agents and brokers of the potential great and profitable mass market. If insurance men wish to retain their business and avoid the government taking it over, they must bring protection to the people who need it most. In a private survey conducted for his office, only a fraction over 50% of people earning from \$150 to \$225 per month had household furniture fire insurance, while only about 35% of the group making from \$100 to \$150 per month carried this protection. A fire is a financial tragedy to a modest home and insurance men can expect no great public standing unless they correct this condition.

Chicago Group to Hear Lawyer

Joseph H. Hinshaw, Chicago attorney, will discuss claim investigation from the trial lawyer's viewpoint at a dinner meeting of the Casualty Adjusters Association Oct. 20 in the La Salle Hotel.

Sell disability with "Seven Good Reasons Why" folder. Get samples from The A. & H. Bulletins, 420 E. 4th St., Cincinnati 2, Ohio.



It is a tradition with the Pennsylvania Casualty Company to give attention to the seemingly unimportant things. Unusual requests or questions from agents and policyholders alike are answered in the true spirit of service.

This desire to serve better has been largely responsible for the steady progress made during the past 23 years.

The increasing patronage of thousands of agents certainly reflects the merit of the Pennsylvania Casualty Company.

Valuable Agency Franchises
opening soon



**PENNSYLVANIA
CASUALTY COMPANY**
First National Bank Building
BALTIMORE MARYLAND

**A COMPLETE SERVICE
INSURANCE and REINSURANCE**
ACCIDENT • CASUALTY • MARINE • SURETY
AGGREGATE EXCESS (Stop Loss) • SPECIFIC EXCESS
WORLD-WIDE TRAVEL (Personal Accident) INCLUDING WAR RISKS
KENNETH B. S. ROBERTSON, Ltd., 414 St. James St. W. Montreal, Can.

Hear Federal Threat Stressed

(CONTINUED FROM PAGE 3)

hensive policies," he urged. When an agent makes a survey for the insured, he should endeavor to find any hazards that are missing under the coverage. The time is soon coming when an agent will be able to write a policy covering property of the insured against any loss anywhere in the country.

Prevention, rather than indemnity, must come first if insurance is to justify its existence in the changing world of tomorrow, J. J. Beall, executive vice-president of Northwestern Mutual Fire, declared. It must justify itself as a constructive force in loss prevention.

Indemnity is not always an answer to loss. Agents were urged to avoid excess loss to policyholders through the application of the coinsurance clause, non-concurrence of policies, and a multiplicity of endorsements which did not fit the risk.

If it is considered desirable to appoint a public relations counsel, Mr. Beall urged mutual agents and companies to get together and decide on some fundamentals and definitions before such a step is taken.

Government Program Criticized

Carelessness is the leading cause of fire loss, Eugene Arms, manager Mill Mutual Fire Prevention Bureau, asserted. Carelessness is often the result of ignorance of the fundamental principles of fire prevention. It exists because of a lack of interest in the preservation of property.

The government should be criticized for not using the services of bona-fide fire prevention engineers in setting up the war production program. Instead, it organized its own services. The nation was unprepared for developments so far as fire prevention activities are concerned, with the advent of war, Mr. Arms said.

Adjusters are expected to put down some cause of loss and an adjuster can't tell a true story because the agent will tell the home office he can't adjust losses if he does. Something is lacking in the business when such a condition is so, Mr. Arms stated.

Sees Post-War Arson Wave

A great wave of arson may be anticipated following the end of the war as it did at the end of the former war. He said he doubted whether the extent of arson losses is realized.

Agents can do much from an effective public relations standpoint if they will assist in a program of fire prevention education.

A new property insurance policy of flexible multi-risk coverage for nationwide use was declared urgent by Ogden C. Noel, insurance consultant for Westchester county. He suggested appointment of a nation-wide drafting committee of buyers and insurance representatives. He believes a year or two would be sufficient if responsibility were apportioned, say with the mid-westerners drafting the insuring clauses, the far westerners conditions prior to loss, the southerners conditions after loss and the easterners editing the policy as a whole. He promised that literature could be printed for distribution as soon as such a committee had been organized. He said conditions demand an entirely fresh approach rather than a doctored-up standard fire policy with a new batch of riders. The outmoded classification of insurance company powers produces paste-pot policies full of gaps and duplications, all at added expense to public, insurance companies and agents.

Plans are being made to form a national C.P.C.U. organization with a distinctive emblem along the lines of a college fraternal organization, H. J. Loman,

dean of the American Institute for Property and Liability Underwriters, said. Dean Loman reported great enthusiasm for the work of the institute over the entire country, in summarizing its progress last year.

Competence of Agents Stressed

Competence of agents will determine the degree of public confidence in insurance, T. J. Cullen, first deputy of the New York department, declared in bringing its greetings. Representatives of stock and non-stock carriers have spent too much time talking down the other fellow's product and not enough about their own. There is ample room for both types of carriers from the standpoint of public demand and also under the law. Both types are here to stay to serve the public interest. There is a possibility in the writing of non-assessable policies by the mutual companies and of participating policies by the stock companies of a narrowing field between the two groups.

Security will be purchased at the expense of opportunity if some of the influential post-war planners have their way, Arthur Snyder, treasurer of A. M.

Best Company, declared. Mr. Snyder said that despite the size of the national debt after the war, it can be carried and serviced without too much difficulty.

Fred Bremier, commercial research of Curtis Publishing Company, made an illustrated talk giving the highlights of a survey made by his firm on the public's attitude toward fire and casualty insurance.

Kemper's Ringing Address

Work and bread, or the problem of achieving maximum employment, is the central factor in the determination of the post-war economic pattern, and every business, from the largest to the smallest, must immediately begin to plan for that period if it has not already done so, James S. Kemper, president of Lumbermens Mutual Casualty, declared in a ringing address. Mr. Kemper declared that economic conditions and social forces, not political personalities or political parties, will shape the future of American business.

The opening address was given by Lawrence Murray, Columbus, Ga., president of the association, who traced its development into an organization with 1,200 members. Newbold Morris, president of the city council, welcomed the delegates. The banquet was held following the close of the three day sessions, with Brig.-Gen. R. W. Johnson as the speaker.

American business, Mr. Kemper pointed out, is virile and progressive and is neither weak nor unprepared. It has won a standard of living which is the admiration and envy of the world. "Let us reject the shallow pessimism that a single decade of depression should cancel 150 years of matchless achievement," he stated. "A free economy is the only one built on granite. The wish is father to the thought that capitalism is entering its twilight zone."

Q. & A. Period

A question and answer clinic on agency selling problems was led by J. E. Magnus, Chicago. Participating were H. H. Murray, Jr., Raleigh; Dudley Kincaid, St. Louis; H. J. Drown, Erie, and A. R. Peters, Baltimore. Mr. Peters was also chairman of the nominating committee.

Mr. Magnus said the new retrospective rating plans give the mutual agent the greatest opportunities ever offered. Of the \$600 million premiums written by 101 casualty companies, 40% is on large risks and 60% on small risks. The plans were introduced by the stock companies to get as much business from the mutuals as possible and to cut the commissions to their agents.

Of the 10 leading writers, four are

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HELP YOU WRITE MORE BONDING BUSINESS...

AGENT'S ORDER BLANK FOR PROBATE BOND, WHERE APPLICATION IS TO BE WAIVED
TO BE USED ONLY FOR SELECT RISKS WHICH THE AGENT CAN UNQUALIFIEDLY
RECOMMEND. OTHERWISE USE APPLICATION NO. 101

Western Surety Company
Chicago - 175 W. Jackson Blvd.

PLEASE SEND US THE FOLLOWING PROBATE BOND, WAITING APPLICATION:

for ANY PROBATE
BOND--ANY AMOUNT

What property is to be bonded or insured?
Does the owner of the property own it?
Has the owner of the property ever been bonded or insured?
Has the owner of the property ever been bonded or insured?
Has the owner of the property ever been bonded or insured?

AGENTS ORDER BLANK FOR BOND, OTHER PROBATE OR BUREAU, WHERE APPLICATION IS
TO BE WAIVED
TO BE USED ONLY FOR SELECT RISKS WHICH THE AGENT CAN UNQUALIFIEDLY
RECOMMEND. OTHERWISE USE TRIPLES APPLICATION

Western Surety Company
Chicago - 175 W. Jackson Blvd.

PLEASE SEND US THE FOLLOWING BOND, WAITING APPLICATION:

for any and all BONDS
EXCEPT FIDUCIARY

What property is to be bonded or insured?
Does the owner of the property own it?
Has the owner of the property ever been bonded or insured?
Has the owner of the property ever been bonded or insured?
Has the owner of the property ever been bonded or insured?

WESTERN SURETY COMPANY
Chicago - 175 W. Jackson Blvd.

PLEASE SEND US THE FOLLOWING PROBATE BOND, WAITING APPLICATION, FOR:

for SMALL PROBATE
BONDS--Under \$5000

What property is to be bonded or insured?
Does the owner of the property own it?
Has the owner of the property ever been bonded or insured?
Has the owner of the property ever been bonded or insured?
Has the owner of the property ever been bonded or insured?

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And, they are designed to make it easier for you to write more preferred business at greater profit. They do away with application which you can unqualifiedly recommend.

You can't possibly know how these new, modern business-building order blanks help you make more money until you have tried them. Our agents are really enthusiastic about them, because they bring them extra business and extra dollars.

Why not join our agency force and make extra money for yourself. Start now by sending for a supply of order blanks.

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mutuals. The latter, hitherto paying 20% dividends on the premium, still can pass on a 13.9% savings to policyholders. Mutual agents should cultivate the small insured paying under \$1,000 premium. They should ask him why the stock companies didn't arrange for a decrease in his costs, Mr. Magnus said. The mutual agent can give that risk a 20% dividend, "more than the big fellow's decrease."

In answering a question how to replace automobile premiums lost by rationing, Mr. Drown said the greatest source of prospects is in the agent's own files. Agents do not check their files to see what other coverage is carried by the insured. His agency was successful in adding rent insurance to every policy that came up. It will overcome its automobile premium losses in that manner and make an actual increase in total premiums by about \$19,000 in a moderate size agency.

A similar clinic on agency management included C. M. Westbrook, Charlotte, chairman; H. W. Legg, Baltimore; W. Emmert Swigart, Huntingdon, Pa.; J. Wayne Barker, Nashville, and B. J. Sager, Cleveland. A question was asked to suggest a system for avoiding losses on collections. The consensus was to ask for the premium when the insurance was written. In one agency, the bookkeeper set aside all accounts over 30 days old for special handling. Accounts 90 days old are automatically canceled. A premium financing service should be utilized. If enough premium is collected to take care of short rate cancellation, the agent doesn't have to worry about his collections.

A questioner asked what could be done to prevent a solicitor who wished to establish his own agency from soliciting renewals of the agency's business. One agent has an agreement with his solicitors that his business can't be solicited for five years. Life insurance is valuable to provide funds for junior partners to buy out the senior partner's interest.

Correct Expense Ratio

It is difficult to determine the correct expense ratio of an agency and the premium to be handled per employee because of the different kinds of business an agency may have. Rough Notes has published a helpful survey.

Adequate reserves should be carried to provide for cancellation, particularly when the premium is large. It is advisable to have an outside accountant go over the agency's books.

Mr. Magnus said his agency had written \$290,000 new boiler and machinery premiums in nine months, more than 11 companies writing the business did all of last year. He said he hoped the present situation would continue. Short rate cancellations amounted to only 2% or 3% and his agency, by circularizing 2,900 policyholders in Chicago, wrote the business by telling them about the refund due. He urged that extended coverage be put on every boiler since it now costs only about \$7 a boiler. It covers low water, cracking of the boiler and other hazards. All of his agency's boiler business was renewed on a four year policy basis instead of for three years.

Effective suggestions on sales technique were given by John M. Fraser, general agent of Connecticut Mutual Life, New York. Mr. Fraser said that 95% of selling was in selling one's self and the other 5% depended on the stuff the salesman had to sell. All actors are salesmen and salesmen are also putting on an act. The war will be over one of these days and it is important for the agent to take stock. Wednesdays his agency force does nothing but make new contacts.

An explanation of major items in a financial statement was given by Miss Evelyn M. Davis, C.P.A., New York. Miss Davis said an analysis of a company's assets would frequently silence criticism by a bank of the company when the breakdown was compared with the bank's own statement. She urged agents to adopt strong accounting controls and adequate bookkeeping methods.

At the closing session C. J. Judkins,

Hobbs Plays McCormack Theories

(CONTINUED FROM PAGE 17)

Mr. Hobbs stated that Mr. McCormack's charge that there is a concealed profit in the expense loading is not borne out by the experience expense ratios. The aggregate expense ratio normally exceeds the estimated 40%, he said.

Mr. McCormack suggested that there be introduced a profit loading in the rate formula. Mr. Hobbs stated that since this would mean an important revision of a long continued policy it would be a proper matter for consideration of the commissioners' association.

According to Mr. Hobbs the only way in which the scheme that Mr. McCormack advocates as to contingency loading could be operated would be by pooling the underwriting operations of all insurers or by setting up a monopolistic state fund. The pooling operations, he declared, would drive out of the compensation business all insurers that have anything to lose. "The idea that carriers will pay \$3,000,000 for the privilege of continuing to do compensation business in Tennessee seems a bit naive," he asserted.

As to loss constant, Mr. Hobbs stated that if the object of rate making is to make an equitable distribution of insurance costs the method which comes nearest to an exact distribution is the best. Small risks ought in equity to be

assessed what they actually cost. There is a curious inconsistency between rejecting the expense constant on a plea of sympathy for the small risks and retaining it for minimum premium risks which are smaller. "One concludes that all risks are entitled to sympathy but not if they are too small," he said.

Mr. Hobbs stated that the proposal to balance the experience rating plan by a factor within itself has been tried in Tennessee and was given up.

The only interstate rating done is with respect to the retrospective rating plan and the new plan, he said.

As to Mr. McCormack's position as to Tennessee rate levels, Mr. Hobbs stated that it would be a good deal cheaper for the companies to write no business than to write at a rate level 18.3% inadequate. The stock carriers are in a better position today than in years to pull out of the compensation business while the going is good and Mr. McCormack's proposed rate reduction coupled with his other proposals might be enough to tip the scale so far as Tennessee is concerned. He said he would counsel investigating this aspect of the matter before making a decision.

"The National Council could hardly do less in its rate making policies than to follow lines approved or prescribed by the National Association of Insurance Commissioners. It could hardly do less than observe carefully considerations of adequacy in making its rate filings. It has no apology to make for doing either, and it is because your proposals run counter to both that it has been unable to see eye to eye with you. The National Association of Insurance Commissioners is not bound to follow policies laid down by former conventions, though as a sensible body, which it usually is, it will appreciate the fact that sudden reversals of policy, sudden changes of viewpoints, do little to improve its reputation for acting along consistent and continuous lines.

"Hence, while I regret most sincerely a difference of opinion between yourself and the National Council, it could hardly be helped. What is done in one state must be done in others, and a general acceptance of your ideas would simply mean no National Council and no private insurance."

Annual Speculation on N.A.I.A. Officers

(CONTINUED FROM PAGE 2)

was elected president in 1940, the Middle West has been represented by the late R. W. Forshay, Anita, Ia., the east by Mr. North, while Mr. Moreton is from the far west.

No member of the National association would consider making a campaign for office and any member of the present executive committee would undoubtedly be acceptable to the organization

Instructors for Casualty Courses in Chicago Given

The list of instructors for courses Casualty II and III of the Insurance Institute in Chicago has been completed. They are:

Casualty II. Legal liability, Oct. 22, Mark Ellis, Hartford Accident; liability contract, Oct. 29, Nov. 5, Mr. Ellis; analysis of coverages by hazards, Nov. 12, 19, A. J. Cann, Cramsie, Laadt & Co. or J. J. Moran, Hartford Accident; automobile liability, Dec. 3, 10, 17, Jan. 7, Mr. Cann or Mr. Moran; review, Jan. 14, R. E. Baker, Hartford Accident; miscellaneous liability, Feb. 4, 11, 18, Mr. Baker; review, Feb. 25, Mr. Baker; liability claims, March 3, 10, Mr. Ellis; review, March 17, Walter Bremer, Hartford Accident; employers' liability and workmen's compensation, March 24, 31, John F. Idler, Zurich; employers' liability and compensation claims, April 7, 14, R. J. Kubat, Standard Accident; inspection and safety, April 21, James E. Brown, Hartford Accident; general review, April 28, Mr. Baker.

Casualty III. Workmen's compensation and employers' liability, Oct. 8, 15, Mr. Kubat; workmen's compensation rates and rating methods, Oct. 22, Mr. Kubat; comprehensive personal liability, Oct. 29, Mr. Kubat; accident and health, Nov. 5, 12, 19, Dec. 3, Armand Sommer, Continental Casualty; boiler and machinery, Dec. 10, 17, F. S. Campbell, Hartford Steam Boiler; water damage, Jan. 7, G. R. Zage, Aetna Casualty; review, Jan. 14, Mr. Baker.

as an officer. However, if any bets were being made on as uncertain a matter as the coming election, the shortest odds would probably be on Mr. Brown.

Henry Bogert Clark, 65, trial lawyer for Travelers at 100 East 42nd street, New York, since 1919, died at his home in Darien, Conn. He graduated from Cornell in 1900 and from New York Law School in 1903.

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INSURANCE NEWS BY SECTIONS

MIDDLE WESTERN STATES

Shaping Up Ohio

Convention Program

COLUMBUS—While several speakers are yet to be secured, plans are being developed rapidly for the annual meeting of the Ohio Association of Insurance Agents, which will be held in the Neil House, Columbus, Oct. 25-26. The convention, which will be condensed in accordance with war requirements, will open with a session on advertising and public relations, including an exhibit of advertising material used by members of the association. An authority on advertising will speak.

J. F. Van Vechten of Akron, association vice-president, will preside at the luncheon the first day, when a formal welcome to Columbus will be extended the visitors, and Senator Theodore M. Gray, executive secretary of the association, will speak on "Your Association." Mr. Van Vechten also will be in charge of a meeting of county chairmen that afternoon. A local agents round table will be conducted under the direction of Karl D. Dakin of Lebanon, former president of the association.

L. U. Jeffries, warden, and F. P. O'Connor, assistant superintendent, Ohio department of insurance, will be present to answer any questions insurance agents may ask.

Present Trophy at Banquet

President E. B. Berkeley of Cleveland will preside at the banquet in the evening, when the Cleveland trophy will be presented to the agent with the most outstanding achievement to his credit in the past year.

Clayton G. Hale, Cleveland, will be moderator at a question and answer forum the second day. E. J. Weiss, Reliable of Dayton, will respond to questions on fire insurance; T. Y. Beams, Royal Indemnity, New York, casualty, and Ashley C. Taylor, Fidelity & Deposit, New York, surety.

The business session will be held that morning, with Mr. Berkeley presiding. He will deliver his annual address, officers and trustees will be elected, reports will be received and resolutions will be acted upon. Following the luncheon, the new officers will be installed.

The new New York fire policy will be discussed by R. P. Barbour, U. S. manager of Northern of London and former president of the National Board, and Superintendent Crabbe of Ohio will give "The Ohio Attitude."

The new Ohio safety-financial responsibility act, which went into effect Sept. 20, will be considered. Paul R. Gingham, general counsel of the Ohio association, will tell of its development and interpretation, and J. C. Hiestand, Ohio Farmers, vice-president of the Ohio State Safety Council, will discuss its promotion and sales possibilities.

James F. Lincoln, president of the

Lincoln Electric Company, Cleveland, will be the banquet speaker.

Secured Fire & Marine Entertains Indiana Agents

A good representation of the 160 agents of Secured Fire & Marine in Indiana visited the home office in Indianapolis and with other guests attended a dinner given by the company. Otto G. Fifield of Gary, former secretary of state, was toastmaster. President Norman T. Robertson outlined what the company has accomplished since organization a little over two years ago. He reported assets in excess of \$593,000 and a premium income which will approach \$130,000 this year. The loss ratio of 29.2% reflects the quality of business that has been put on the books. The stock is held by leading business men throughout the state and this has proved to be a good influence for desirable business.

The organization of Secured Casualty as a running mate for the fire company has been completed and the agency plant is being set up. Many agents representing the fire company are taking the casualty company also.

A group of agents met at the home office during their visit and planned a campaign for increased business the remaining three months of the year. Winners will be awarded four prizes—war bonds, \$100, \$75, \$50 and \$25. Mr. Robertson said the officers and directors consider the outlook for the two companies excellent.

E. O. Burget, president of Peoples Life of Frankfort, Ind., a director of the two companies, spoke briefly on the possibilities for their successful development.

Commissioner Viehmann of Indiana reminisced on his early insurance experience with German Fire of Indiana, which reinsured in 1912. He referred to the causes that led to the company's retirement in the face of a very successful underwriting experience, stressing the importance of unified effort in the success of any insurance company organization. He reviewed the status of the insurance business in its various branches in Indiana.

Dr. M. O. Ross, president of Butler University, spoke on "Some Economic Effects of the War."

Suggest Revival of State Hail Fund in Nebraska

LINCOLN, NEB.—At the request of several farmers, A. T. Howard, chairman of the Republican state committee, has suggested to the legislative council, a group of legislators that considers legislative proposals between sessions, that it study the possibility of establishing state hail insurance. No action has been taken by the council.

Mr. Howard, who writes hail cover-

age on growing crops for Homestead Fire through the Cavanaugh agency at Omaha, says that east of Kearney present rates are not excessive, but that west of that point they increase rapidly to as high as 16% for barley and beans, 12% for wheat and 14% for rye.

State hail cover was abandoned two years ago because so few farmers patronized it. Apparently the only demand for it now comes from those areas where high rates prevail. Those who have bought federal crop cover have not always renewed their contracts. The advisory rates used by most of the companies are based on experience. Mr. Howard stated that he has had trouble finding a connection that cared to solicit this class of business in the western Nebraska territory.

Minnesota Association's Committee Chairmen Named

MINNEAPOLIS—C. R. Hewitt, who operates a local agency in a community of 50 people in northern Minnesota, has been named chairman of the rural agents committee of the Minnesota Association of Insurance Agents. His annual premium volume runs around \$20,000 and he covers an unusually wide territory in a sparsely settled section of Minnesota.

Other committee chairmen announced by President Armand Harris are: Finance, A. A. Hirman, Rochester; conference, R. A. Thompson, Minneapolis; membership, William Knudsen, Hibbing; fire and accident prevention, J. Vick Merrill, St. Paul; convention, Jesse D. Bradley, Duluth; regional activities, Dan Mills, Lake City; legislative, President Harris, who has held that assignment for several years.

The Minnesota association this week bulletined all members urging them to get behind the bills now in congress to affirm the intention of that body that the federal anti-trust laws are not applicable to the insurance business. Minnesota's representatives in Washington have been asked to support these bills. The executive committee of the Minnesota association has been called to meet in Faribault Oct. 19.

Reserve Bank Man to Speak

MINNEAPOLIS—Oliver W. Powell, first vice-president of the Federal Reserve Bank of Minneapolis, will speak on "The End of the War-Spectre or Rain-bow?" at the first fall luncheon meeting of the Insurance Club of Minneapolis Oct. 11. The program is being sponsored by four local agencies, Central National, Minneapolis National Co., Northwestern State Bank Agency and South Side Insurance Agency.

Lining Up Kansas Program

Forrest R. Fair, Mankato, first vice-president of the Kansas Association of Insurance Agents and chairman of the program committee for its annual meeting in Topeka Oct. 28, is completing the program for the one-day session. The evening of Oct. 27 the annual "stag"

Executive Vice-president of Iowa Agents Unit

John A. Boeye, who was elected executive vice-president of the Iowa Association of Insurance Agents recently, is vice-president and secretary of the Crosley Investment Company at Webster City.



John A. Boeye

He was born in Webster City and attended the University of Iowa for one year. In 1916 he entered the local agency business in partnership with the late Ray W. Miller, who was state agent for New Hampshire Fire at the time of his death. In 1919 Varick C. Crosley and his brother George R. Crosley, who was state agent for Western Assurance and British America, organized the Crosley Investment Company with Mr. Miller and Mr. Boeye. The company is engaged in the farm loan, abstract, real estate and insurance business and Mr. Boeye has had charge of the insurance operations since it was organized.

His son, John F. Boeye, is a second lieutenant in the army air corps, having just graduated as a pilot at the Eagle Pass, Tex., army air base.

get-together and entertainment and the customary banquet for past presidents and the executive committee will be held. Erwin Keller of the Hussey Agency, president of the Topeka association, is convention host; and Ned Fink of Topeka is convention general chairman.

Heads Ill. Convention Committee

Casper H. Brown of the Fetter & Brown agency, Springfield, Ill., has been appointed by President N. C. McVay of the Springfield Association of Insurance Agents as general chairman of arrangements for the annual meeting of the Illinois Association of Insurance Agents there Nov. 4-5. Mr. Brown is vice-president of Region 6 of the Illinois Association.

E. H. O'Connor, executive director of Insurance Economics Society, Chicago, will speak on "What Price Social Security" the afternoon of Nov. 4. A luncheon meeting is being arranged for that date, the speaker and subject to be announced later.

Neb. Tax System Simplified

A simplified system for remitting taxes in Nebraska has been put into effect commencing with the levies that are payable Nov. 1. Instead of making a check on account of each individual agent in the state, the insurance companies will now make but one check to each county treasurer in the state.

This system was worked out following the amendment of the Nebraska law



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earlier this year providing that the insurers report to the state tax commissioner instead of having agents make their own reports to local assessors. Reports are made by companies to the tax commissioner, giving premium receipts by counties and a list of agents in each county. Then the payment is to be made by one check to each county treasurer. The premiums are taxed on the personal property tax basis.

Women to Hear Jungbauer

ST. PAUL—Louis Jungbauer, manager Fire Underwriters Inspection Bureau in St. Paul, will speak at the Oct. 7 dinner meeting of the St. Paul Association of Insurance Women. The association will conduct educational classes again this fall and winter.

NEWS BRIEFS

The Insurance Women of Columbus will hold their monthly dinner meeting Oct. 7. J. W. Huntington, Columbus manager of the Mill Mutuals, will speak on "The History of Fire Insurance."

Phil Grau, radio news commentator who is also engaged in the insurance business there, discussed "What's Be-

W. S. Hukill, Jr., Marks 59 Years in Insurance

CINCINNATI—When W. S. Hukill, Jr., prominent Cincinnati agent, celebrated his 76th birthday Oct. 1, he looked back over 59 years in insurance in Cincinnati. Starting as clerk with Merchants & Manufacturers, a company chartered in 1838, Mr. Hukill remained with that company until it was sold and liquidated and then continued in the agency business.

In the early days of his experience home offices of 26 companies operating under Ohio charters were located in Cincinnati. These were fire and marine companies, marine coverage being written on hulls in the midwestern waters and elsewhere, such as the territory around Fall River, Mass., and Providence, R. I. As a clerk, Mr. Hukill was a student of the business, acquiring a set of law books on marine coverages which he carefully studied. Then he became acquainted with such things as general and particular averages. Mr. Hukill is still a student of the business. He says this is far more important now than in the early days for there are so many more ramifications about which the insurance man must keep informed. In the early days printed binders were unknown. Word-of-mouth agreements were a matter of course. Only in later years were multiple rules and many printed forms developed. Mr. Hukill rarely misses a day at the office, where he is constantly and actively immersed in the details of the agency. Associated with Mr. Hukill in the agency is his son-in-law, Hal Balyeat.

hind the News," at the first fall dinner meeting of the Insurance Women of Milwaukee, Oct. 4.

C. J. Wintrol, Royal-Liverpool state agent at Wichita, addressed the Kiwanis Club and schools at Marion, Kan., at the invitation of Alex Case.

E. B. Fergus, Wichita manager of the Kansas Inspection Bureau, addressed a fire-prevention meeting of the Rotary Clubs at Sterling, Kan. E. W. Farrell, Sterling local agent, was named chairman of a special fire prevention committee there.

The Hutchinson (Kan.) Association of Insurance Women opened the year with a dinner meeting. A 40-minute

program covered the new Kansas rates and rules. A similar discussion was given before the Hutchinson Board the previous day.

The St. Louis court of Cat's Meow has become a permanent contributing member to the Shriners Hospitals for Crippled Children.

Wm. W. Barton, formerly a broker with R. B. Jones & Sons, has established his agency in the Insurance Exchange building, Kansas City.

Cliff Padgett has purchased the Donze Insurance Agency at Lodi, O.

James A. Christensen, who has been with the J. A. Isaman agency, Aurora, Neb., for the past year, has purchased an interest in the agency. There will be no change of name.

PACIFIC COAST AND MOUNTAIN

Garrison on Job in Cal. Department

SAN FRANCISCO—Maynard Garrison, former Los Angeles attorney, assumed his duties as insurance commissioner of California Friday. Commissioner Garrison said he contemplated no immediate changes of any kind in the conduct of the department. He said he had gone over many matters with his predecessor, Commissioner Caminetti, and there appeared to be unanimity on many things now under way in the department.

The investigations into practices of workmen's compensation carriers instituted by Commissioner Caminetti are to be continued under the direction of Grant B. Cooper, chief assistant commissioner. However, they will be in the form of conferences rather than public hearings, according to Commissioner Garrison, who said that he felt the investigation was worthwhile and would bring out much valuable material to be used later in a revision of the compensation manual.

Favors Conference Method

While expressing no criticism of Mr. Caminetti's procedure in the investigations, Commissioner Garrison did say he felt the same end could be accomplished through the conference method rather than public hearings, and that the remaining 15% of the companies yet to be looked into would be on that basis. He said that Mr. Cooper has been instructed to proceed with the investigations on the conference basis and that when all of the data is brought together it will be correlated and he then hopes to put into effect a plan of enlarging the department to take care of compensation problems as they develop.

He will recommend the establishment of a compensation department to be headed by men expert in the compensation field. This recommendation and numerous others which he has in mind will wait, however, until he makes a trip to eastern insurance centers, where he

plans to confer with the commissioners of other states, to learn what may be of value for the California department and to bring about a closer working arrangement with the other commissioners.

Commissioner Garrison plans to spend the entire month of November in the east and will attend the annual convention of the National Association of Insurance Commissioners before returning to San Francisco.

No Immediate Changes

No immediate changes in personnel are contemplated, he said, and before any changes of any sort are made, he plans to appoint a "reorganization committee" within the department, composed of two senior members from Los Angeles and two from San Francisco. This committee will work with him in digesting the material which he brings from his eastern trip and also on any changes in the compensation setup.

Mr. Garrison's headquarters are in San Francisco and Assistant Commissioner Cooper will be in charge of the Los Angeles office.

A profusion of floral tributes adorned Commissioner Garrison's quarters as he took office. His first official act was to call together the employees of the San Francisco office to become acquainted with them and outline his plan of procedure.

Just before retiring, Commissioner Caminetti was presented a traveling bag from the San Francisco employees, an electric clock and gold pen from employees of the Los Angeles and San Diego offices and a wrist watch from present and former executives of the department. Presentation was by J. R. Maloney, principal examiner of the department.

Judge Caminetti has reentered the practice of law as a partner of James Boccardo, prominent attorney of San Jose.

Trinity-Universal Buys Jenkins General Agency

LOS ANGELES—Trinity-Universal has purchased the interests of R. H.

Jenkins, president of the R. H. Jenkins General Agency, and will operate the agency with the present organization.

President E. T. Harrison of Trinity-Universal has been elected president of the general agency. Frank E. Jordan, with the company for 10 years and with the agency for four years has been elected vice-president and a director of the agency. He will be in charge of the business as general manager. L. S. Larson, for 10 years secretary-treasurer of the agency corporation, will continue in that position and has been elected a director. The company plans expansion of the business in contemplation of the post-war prosperity in this section.

Mr. Jenkins now is on active duty as a lieutenant (j.g.) in the coast guard, and hence could not give his full attention to the affairs of the agency. However, he has not given up his interest in insurance but has opened a local agency at 215 West Seventh street, and will continue to serve a clientele there. He came to Los Angeles from San Francisco in the '20's and opened a local agency, and in 1930 formed the general agency corporation. He will continue as resident vice-president of Trinity-Universal.

Wash. Executive, Governing Committees Announced

SEATTLE—President A. J. Peters has made three appointments to the executive committee of the Washington Association of Insurance Agents and also named the standing committees. A newcomer on the executive committee is Paul Swift of Spokane, who succeeds C. M. Livingston. E. R. Bowden, Seattle, and C. D. Flanagan, Wenatchee, were renamed for three more years.

The governing committee includes, in addition to the president, V. R. Lee, Chehalis; H. D. Lasell, Aberdeen; A. W. White, Seattle; H. E. Carr, Bellingham; Wm. H. Harmer, Seattle, and Harold N. Mann, Tacoma.

The fire contact committee, which meets periodically with the Washington Advisory Committee, will be headed by Charles P. Carroll, Spokane, immediate past president. Holdovers on the committee are James M. Blair, Puyallup, and Frank N. Bellingar, Bellingham, both past presidents.

A new casualty contact committee has been named. It is headed by Harold N. Mann, Tacoma, also a past president; and includes E. O. Allen, Wenatchee; and C. J. Sorensen, Bellingham.

Plan Advertising Exhibit for California Convention

SAN FRANCISCO—Exhibits of company and agency advertising and sales promotion material will be a new feature at the annual meeting of the California Association of Insurance Agents here Nov. 15-17. Ralph Winkler, executive secretary of the Oakland association, is in charge.

Harold I. Callis, Santa Barbara, past

MARSH & McLENNAN

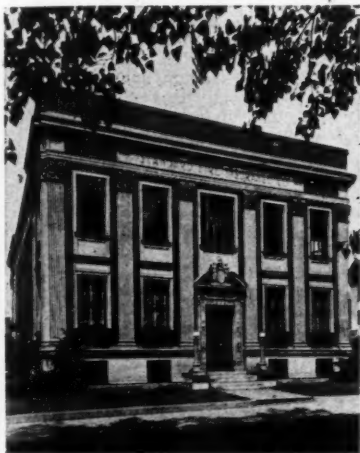
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Harrington Blasts U. S. Control Moves

SALEM, MASS.—Speaking at a banquet commemorating the 100th anniversary of the founding of Holyoke Mutual Fire, Commissioner Harrington of Massachusetts, president of the National Association of Insurance Commissioners, warned "against those in Washington who are attempting to apply to the insurance business the provisions of the Sherman anti-trust act and the Clayton act—the effect of which would be to disrupt and confuse the insurance business, whether conducted by mutual or stock companies."

In attacking bureaucrats, the commissioner declared that it appeared "to be the purpose of those who favor federal control of the insurance business to prevent the operation of rating organizations and inspection bureaus, which have contributed so much to the safety and stability of this great business of ours."

"While the frontal attack is made on stock insurance companies, the result of the attack, if successful, will seriously affect the conduct of business by mutual companies and the welfare of all policyholders."

"If you are to participate in the orderly conduct of our business during this disturbed era and in the future, record yourselves with your Congressman in favor of Senate Bill 1362 and House Bill 3269. These bills reassert and affirm the intent of Congress that the Sherman anti-trust act and the Clayton act do not and should not affect the conduct of the insurance business."

President Carlos P. Faunce, 82, who has headed the Holyoke for 24 years, in tracing the history of the company, told how insurance had progressed from a cumbersome, unwieldy business in which all policies were written and listed

president of the state organization, has been named chairman of the program committee by C. M. Putnam, Oakland, general convention chairman. Ray C. Laughery, newly elected president of the Oakland association, is chairman of the housing committee. Headquarters will be at the Whitcomb Hotel, San Francisco.

On Nov. 15 the San Francisco Accident & Health Managers Club is holding an accident and health sales congress which is being made a part of the convention program. The association's directors will hold their pre-convention meeting Monday afternoon and at night the usual get-together party will be held.

Tuesday will start the general sessions followed by the executive session for members only and the election. The banquet will be Tuesday night. Group conferences will be held Wednesday morning, with the second general convention session in the afternoon.

Despite the heavy toll due to the war, the California association reports a membership increase of 27 in reaching the new all-time high of 1,465. The organization lost 80 members last year through deaths, consolidations, war service and resignations. There were 104 new members enrolled and three reinstated.

New Companies in California

New companies licensed in California include Security National Fire of Galveston, with R. H. Jenkins of Los Angeles as general agent; Badger Mutual Fire of Milwaukee, with A. R. Calusen of Los Angeles as general agent, and Employers Mutual Fire of Wisconsin, R. J. White of Los Angeles general agent.

Los Angeles Courses Start

LOS ANGELES—The three study courses sponsored by the Insurance Exchange of Los Angeles all have started under the direction of Secretary Walter W. Bennett, who is chairman of the exchange's educational committee.

The advanced course, which is Part I of the 100-hour course of the N.A.I.A.,

by hand, to present-day, modern, machine methods, but said that "the insurance policy now used has been anything but simplified."

Head table guests included Commissioner Harrington and his deputies, Edmund S. Cogswell and Thomas H. O'Connell; Bryson F. Thompson of the Thompson & Peck agency, New Haven, which has represented the company for more than 75 years; directors of the company, including John H. Eddy, well-known Boston agent, and city leaders.

SALTONSTALL COMMENTS

BOSTON—The movement in Washington seeking to end the state regulation of fire insurance companies and substitute federal supervision has prompted the following statement from Governor Saltonstall of Massachusetts:

"The question is whether companies can be better regulated by state or federal governments. They have always been well regulated in this state and I think they should continue to be under state regulation."

Ill. Assigned Risk Plan Meeting

The Illinois Assigned Risk Plan at its annual meeting reelected N. J. Perrin, assistant manager of American Automobile, Chicago, chairman. Company representatives also were reelected: Zurich, to represent the National Bureau of Casualty & Surety Underwriters; Lumbermens Mutual Casualty, National Association of Automotive Mutual Companies; Motor Vehicle Casualty, Central Automobile Bureau; American Automobile, non-affiliated stock companies, and State Farm Mutual Automobile, non-affiliated non-stock companies.

Arthur E. Du Bois, special agent for the Loyalty group, Detroit, is now in the army.

brought out a particularly large and enthusiastic attendance. John Gurash, assistant manager of American Surety and president of the Casualty & Surety Field Men's Association, was in charge. "Liability" was the topic. There are also an elementary course and a C.P.C.U. course.

Seek N. Y. Form in Oregon

PORTLAND, ORE.—A movement is on foot in Oregon, which has much support, to bring about the adoption of the new New York standard fire policy in this state. Legislative action will be required, according to Commissioner Thompson, since the old form is a part of the Oregon insurance code.

The legislative committee of the Oregon insurance agents' association, in cooperation with other insurance interests, will sponsor the change at the next session of the legislature in January, 1945.

Washington and Idaho already have adopted the form, Washington's action being retroactive to July 1, 1943, while in Idaho use of the new form is advisory for the present, but will become mandatory on and after April 1, 1944.

Report Oct. 8 on 48-Hour Week

A meeting is to be held in San Francisco Oct. 8 under the auspices of the California Insurance Federation to hear a report on the 48-hour week by the special committee of the federation which has been conferring with government officials. Charles C. Hannah, vice-president Fireman's Fund, is chairman of the committee.

Thompson City Special Agent

W. D. Thompson, who has been conducting a local agency in Los Angeles, has been appointed city special agent there of the Commercial Union group.

Regensberger Portland Manager

Hansen & Rowland, Tacoma general agency, has appointed Martin Regensberger, formerly of San Francisco and Los Angeles, as manager of its Portland

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office. Mr. Regensberger started with Travelers in 1915, later joined Hartford Accident as special agent and in 1938 went with New Amsterdam Casualty as assistant manager. He left to join the U. S. Engineers, then joined the General Reporting Bureau as manager at Los Angeles. He reentered government service in 1941 in San Francisco, leaving that work to make his new connection with Hansen & Rowland.

Predicts Aviation Expansion

SPOKANE, WASH.—Great expansion of aviation insurance was predicted by Ariel C. Harris, Pacific Coast manager of Aero Insurance Underwriters, in an address before the Spokane Insurance Association. He predicted that after the war there will be 1,000,000 pilots in the United States, as compared with 100,000 in 1939. Now there are 18 transport lines in the country and there are on file 200 applications of new operators with the Civil Aeronautics Authority. As a further stimulus to the growth of aviation, Mr. Harris called attention to the many fine airports developed by the government in the past two years, many of which will become available to commercial operators after the war.

There should be a splendid opportunity for aggressive agents in writing a sizable volume of aviation insurance, as plane owners are as much insurance-conscious as automobile owners. From 1938 to 1942 there was approximately \$38,000,000 in aviation insurance premium income. This figure should be increased substantially with the growth of aviation, he predicted.

Support Bills in Congress

SEATTLE—Washington agents are rallying behind the three bills recently introduced in Congress to affirm the national lawmakers' intent that insurance is not subject to the anti-trust laws. Many Washington local agents are addressing their senators and representatives in support of these bills.

Local boards throughout the state have adopted resolutions addressed to their congressmen, expressing strong support for the measures, indicating that state supervision of insurance is preferred by local agents and policyholders and that Congress should put an end to harassment of an industry that is serving the public so well.

Irwin Mesher, executive secretary of the Washington Association of Insurance Agents, has addressed all members of the association, calling attention to the proposed legislation and suggesting that each agent write his congressman.

Wash. Premium Tax Ruling

SEATTLE—Washington domestic companies are not required to pay a premium tax on unattached business in states in which they are not admitted, Fred Lewis, acting attorney-general, has advised Commissioner Sullivan.

The opinion was sought to clarify tax liability principally on insured that have moved from Washington to states in which Washington domestic companies are not licensed. Premiums paid by such insured after moving from the state, provided the subject matter of the insurance is not located within the state, are not taxable by Washington, the opinion held.

Yakima Agents Elect

C. E. Fraser was elected president of the Yakima (Wash.) Association of Insurance Agents at the annual meeting. He succeeds F. W. Norgard, who has been elected to a three-year term on the executive committee of the Washington Association of Insurance Agents. Porter Lombard is vice-president and W. H. Glenn secretary-treasurer.

Seattle General Agency Change

SEATTLE—The Chapman-McGuinness Co. has been dissolved and its business taken over by the general agency of Chapman & Co. Chapman-McGuinness Co. was headed by John P. Mc-

Guinness, now a major in the army transport service.

Chapman & Co. maintain an office in Seattle under the management of D. C. Frisbie. The agency represents National Liberty, English American Underwriters of L. & L. & G., Patriotic (inland marine) and Preferred Accident and also is licensed as a surplus line broker.

Mr. Frisbie also is president of the Frisbie General Agency, which represents Norwich Union Indemnity.

Tacoma Agencies Merge

Two of Tacoma's oldest agencies, Arthur H. Bassett and R. E. Mahaffay & Sons, have merged and henceforth will be operated by Mr. Bassett. R. E. Mahaffay, founder of the agency which has borne his name for many years, is retiring. He is a member of the executive committee of the Washington Association of Insurance Agents and also a member of the Washington legislature, having served on the insurance committee of the house.

Seattle Golf Club Loss

SEATTLE—Loss to insurers covering the Sand Point Golf Club which burned recently, will be almost total. There was \$48,000 fire insurance on the property: Homestead Underwriters, \$13,000; Albany Fire, \$15,000; Central Union, \$15,000, and Reliance, \$5,000 (contents).

Bellingham Officers Renamed

All officers of the Bellingham (Wash.) Association of Insurance Agents have been reelected. John E. Van Cleve is president, Roy M. Tucker, vice-president and Anne E. Byrne, secretary-treasurer.

Carter with Hansen & Rowland

Hansen & Rowland, Tacoma general agency, has appointed Morris Carter, formerly with Roy F. Owen Co., as claims superintendent.

Californians at N.A.I.A. Meet

California will be well represented at the N.A.I.A. meeting in Pittsburgh. C. W. Carpenter, Petaluma, president California Association of Insurance Agents, will head the delegation. In addition to the Los Angeles contingent, already announced, it will include Vice-president Ralph Bach and George Murch, San Diego; John Prunty, president Fresno association, and Ralph Winkler, executive secretary of the Oakland association.

Bonner to El Centro

Claude A. Bonner has been promoted to adjuster-in-charge at El Centro, Cal., for Fire Companies Adjustment Bureau to succeed J. W. Kennedy who has resigned. Mr. Bonner first joined the organization in 1938 and has been connected with the Los Angeles, Tucson and Bakersfield offices.

Stone Speaks in Seattle

Edward C. Stone, United States manager of Employers Liability, is addressing a special meeting of the King County Insurance Association in Seattle, Oct. 7. The meeting will be limited to members because of food restrictions.

NEWS BRIEFS

Ford D. Chandler, district inspector for the Mountain States Inspection Bureau, spoke to the Insurance Women of Pueblo at the September meeting on "Analytic Schedule Ratings."

J. E. Kemp, formerly with the Pacific Board has resigned to go with Cosgrove & Co. in Los Angeles.

Thomas Kegley, who has been in the army for several months, has resumed his position as surveyor of the Pacific Board in Los Angeles, having been released by the army.

Miss Avis Bryson, librarian of the Fire Underwriters Association of the

Pacific, has been married to Lee L. Stopple, San Francisco business man.

The insurance division of W. S. McCrea & Co., Spokane, Wash., has been sold to the Vermont Loan & Trust Co.

Max Brown has purchased the F. J. Arnold agency, Pasco, Wash. While he is in the service as an army aviation cadet, the business will be operated by his father, Wendell Brown, who also owns an agency at Kennewick.

SOUTH

Providence Washington

Names Bird, Lange & Maris

Providence Washington and Anchor announce the appointment of Bird, Lange & Maris of Little Rock as general agents for Arkansas. All three of the principals in this general agency are young men who are well known in Arkansas due to their previous experience in the business. They are located in the Boyle building.

Opens Own Adjusting Office

Charles F. Nichols, formerly with the San Antonio office of Fire Companies Adjustment Bureau, has opened the

Nichols Adjustment Service, 613 Frost National Bank building, San Antonio.

Owens with Johnson Agency

After 19 years with the U. S. head office of Sun in New York City, Hugh Owens has resigned to join the E. Dana Johnson & Co. general agency, Jacksonville, Fla., as agency superintendent.

Mr. Owens attended Columbia and New York Universities and later became special agent for Sun. In 1933 he was promoted to assistant superintendent of the country wide brokerage department of Sun. Mr. Owens is thoroughly familiar with southern business and is acquainted with many insurance agents in that section of the country.

Mr. Owens is supervising the underwriting of fire insurance and allied lines and also devoting part of his time in the field servicing agents in the five southeastern states in which the general agency operates.

Julian D. Norris is the manager of the firm. E. Dana Johnson is in service.

Tenn. Supporting States' Rights

NASHVILLE, TENN.—Joe Bandy, Sr., president of the Tennessee Association of Insurance Agents, reports a flood



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of letters and telegrams from prominent agents of the state to Congressmen in support of measures protecting states' rights in insurance supervision. Secretary-Manager R. T. Cawthon said he never had seen Tennessee agents quite so enthusiastic about anything as they are in support of these measures.

Work in Houston Proceeds

Latest reports on the Houston-Galveston windstorm indicate that it will be several months before the complete figures on the damage can be estimated. There were about 60,000 claims and almost 10,000 of them still remain unsettled. There are several large losses in cotton and grain the extent of which cannot be determined for some time. It is not likely that the total damage will exceed \$10,000,000 and it may be as low as \$7,500,000.

Cole Palm Beach President

PALM BEACH, FLA.—B. D. Cole, Jr., son of the head of B. D. Cole, Inc., West Palm Beach, is new president of the Insurance Board of the Palm Beaches, succeeding G. B. Bense. O. A. Gane remains as secretary. This board of 16 members is 100% affiliated with the State and National associations.

Start Liability, "Comp" Course

CHATTANOOGA, TENN.—The Chattanooga Insurance Exchange, in co-

operation with the Chattanooga Association of Insurance Women, has started 11-weeks' study of public liability and workmen's compensation. W. A. Wilkerson, attorney, spoke on "The Law of Negligence as It Applies to Liability Insurance." Perry L. Harrison, chief underwriter Aetna Casualty in Atlanta, will speak at a later session.

Water Damage Increase Denied

RICHMOND — The application of the Virginia Insurance Rating Bureau for approval of certain increases in rates for water damage insurance was disallowed by the state corporation commission.

The commission, however, ordered an investigation by its own examiners to determine the merits of the proposed increases. This investigation is to begin Oct. 27.

NEWS BRIEFS

Oscar H. West, manager of the Virginia Association of Insurance Agents, had to knock off time from his office duties last week to do jury service. He will attend the annual convention of the National association in Pittsburgh.

James P. Walker of Augusta, member of the executive committee of the Georgia Association of Insurance Agents, is the father of a daughter.

Wiley Ashley, formerly chief clerk of the Alabama Inspection & Rating Bureau, has joined the Foreman & Meador agency in Mobile.

Thirty members enrolled in the course of the Insurance Women's Club of Oklahoma City on automobile liability, directed by H. T. Moran, local agent.

E. H. Brantley, formerly with the Matheny & Peoples agency, Augusta, Ga., has joined the merchant marines.

The inland marine course conducted by the Insurance Women of Dallas has an enrollment of 56, including eight men, with Wilson Brooks of America Fore as instructor. This is the first course to which men have been admitted. A new class on burglary and plate glass begins Oct. 22 with Charles Butt of Standard Accident as instructor.

EAST

Agitation Is Renewed for N. J. Qualification Law

NEWARK—Renewed efforts for the adoption of agents' qualification legislation in New Jersey are being made by the New Jersey Association of Insurance Agents. The committee which was appointed the latter part of last year has found existing laws conflicting with such a measure and that 21 points must be ironed out before a measure can be drawn up for the legislature.

It had been hoped that the measure would be introduced this year, but the many obstacles made that impossible. If those obstacles can be removed, there is a possibility that the measure will be introduced some time during the winter or spring session of the New Jersey legislature.

The measure, as proposed, would cover agents and brokers, except life and accident agents, and examinations would be held under the direction of the New Jersey department. The committee has been studying similar laws in Pennsylvania and New York, both of which have "teeth."

Several years ago, on two different occasions, such a measure was introduced in the New Jersey legislature but opposition on the part of some companies, it is reported, defeated the measure.

Commissioner Agger of New Jersey is in favor of such a measure and would lend his hearty support if the measure is introduced in the legislature.

Philadelphia Premiums Decline

Fire insurance premiums collected in Philadelphia the first six months of

1943, as reported to the Philadelphia fire insurance patrol, amounted to \$4,621,392. This was a decrease of 6% or \$291,541 from the \$4,942,000 total for the parallel period of 1942. Leading companies with their records for the first half of 1943 and 1942 follow:

	1943	1942
Franklin Fire	\$397,243	\$414,968
North America	392,711	407,871
National Liberty	208,515	205,289
Home	153,724	139,443
Pennsylvania	142,190	181,059
Pearl	130,692	100,668
Fire Association	117,020	141,948

Archer R. Prentiss, who recently retired as office manager of Field & Cowles in Boston after 50 years service, was given a testimonial dinner by the 28 women employees of the office.

J. A. Neilan, Norwich Union, Columbus, O., will speak before the Lions Club on fire prevention Oct. 7.

CANADIAN

Ontario Program Completed; Add Provincial Premier

TORONTO—Charles Priestman, secretary of the Ontario Fire & Casualty Insurance Agents Association, which holds its annual meeting here next week, announces that George A. Drew, newly-elected premier of Ontario, will speak at the luncheon Oct. 14. The program now has been completed. On the opening day, Oct. 14, there will be a special report and discussion on agents' qualification and a report on fire prevention by the fire marshal. Hartley D. McNairn, Ontario superintendent, will speak.

At the banquet that evening, W. J. McCulloch, foreign news editor of the Hamilton "Spectator," will speak. There will be music and moving pictures.

The session Oct. 15 will be devoted

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HELLO!

This young poodle, "Rags," poised on the doorstep, ready for a romp and a run any time, seems to have a cheery "hello" right on the tip of his tongue. We've chosen him as our messenger this month to greet you for us. In view of the number of favorable comments we have had from agents receiving these blotters, we've decided to carry on the series of dog subjects for at least another year.

Few will disagree with the adage that the dog is among man's best friends. We felt therefore that this monthly panorama of various dog breeds and dog stories would be most suitable for continuing to remind you that ours is truly a friendly company with which to do business.

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to discussion of resolutions and the election. At the luncheon that day there will be two speakers, Roy A. Duffus, Rochester, N. Y., member of the education committee of the National Association of Insurance Agents and H. B. Christie of the Brantford "Expositor."

Canadian War Risk Figures

TORONTO—Considering the difficulties of selling war risk insurance in an extensive territory such as Canada and the fact that the war news has been more favorable of late, the results of the first year's operation of Canada's war risk insurance scheme can be considered satisfactory.

In its first year, about 29,000 war risk policies were issued in the Dominion for more than \$2,200,000,000, with premiums in excess of \$4,750,000. Mr. Matson states that the flow of business has never dried up, showing that the matter is constantly under consideration by property owners.

While the Canadian government carries no fire insurance on its properties, federal authorities have taken out war risk insurance with premiums of \$270,000, covering properties valued at \$199,067,189.

MARINE

Manee Chairman; De Gray President of Appleton & Cox

NEW YORK—H. B. De Gray, executive vice-president of Appleton & Cox, marine underwriters, has been elected president, succeeding H. E. Manee, who was elected to the newly created posi-



H. E. MANEE

tion of chairman. Mr. De Gray has been with Appleton & Cox since gradu-

ating from Princeton in 1919. Mr. Manee joined Higgins & Cox, a predecessor company, in 1888. He has been president of Appleton & Cox since 1940.

S. W. Carey, III, succeeds Mr. De Gray as executive vice-president. He was educated at Columbia University, and went to Appleton & Cox in 1920.

O. E. Barker was advanced to vice-president.

New Haven Loss May Reach \$2,000,000

(CONTINUED FROM PAGE 3)

that the last load of garments left New Haven.

The fire apparently started near the blower which blew cooled air through ducts into all parts of the warehouse. The air stream carried burning material into all three floors. Firemen poured water into the building for 25 hours. They were hampered in fighting it from inside by the ammonia fumes from the air-cooling system. The result was that a big majority of the garments got wet.

In view of the large number of coats involved it may prove to have been fortunate that so many of the coats were thoroughly saturated rather than only partially wet. If they had dried out and the skins had become brittle it might have been impossible to salvage them.

The bulk of the insurance was carried in Automobile. Some furs are covered by the Yale warehouse's bailee policy while others were insured by furriers storing customers' garments with Yale. It is estimated that perhaps 40 or 50 companies will be involved through fur floater policies carried by individual owners.

One complication will be that when the garments are reprocessed and ready to give back to the furriers, many of the latter will not have space in their shops for the entire lot which they took in for storage. Hence it may be necessary to return a few at a time. Another angle is that customers may want their coats within a short time if there should be a cold spell. However, it is believed that the higher current price of new fur coats will prevent most owners from going out and buying new garments and claiming the declared valuation of the stored garment.

Storage Locker Marine Cover

The Maryland department has ruled that coverage of merchandise in cold storage lockers may be provided under marine forms thus modifying the interpretations of the uniform definition of marine writing powers to that extent.

Henry Moser Slated Oct. 25

Henry S. Moser, prominent Chicago insurance attorney, will address the first dinner meeting of the season of the Insurance Club of Chicago on proposed legislation to exempt insurance from the federal anti-trust laws.

Chemical Plant Gases Damage Cars on Coast

LOS ANGELES—Automobile insurers in Los Angeles are having a new war experience, in that some of them are paying claims on automobiles damaged by the butadiene and other gases released from chemical plants doing war work here. For several weeks past the gas fumes have been noticeable, and have affected eyes and throats. City authorities have threatened legal action un-

less the nuisance is abated. The automobile claims presented seem to parallel those of several years ago, when planes maneuvering over the city loosed gases into the air which ruined paint jobs on cars. It has not yet been brought out just what there is in the fumes now released that is spoiling the appearance of cars. The claims are being paid under the comprehensive policies.

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The Allemannia Fire Insurance Co. of Pittsburgh	Organized 1868	Southern Fire Insurance Co., Durham, N. C.	Incorporated 1923

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